

Figure 1  
(PRIOR ART)

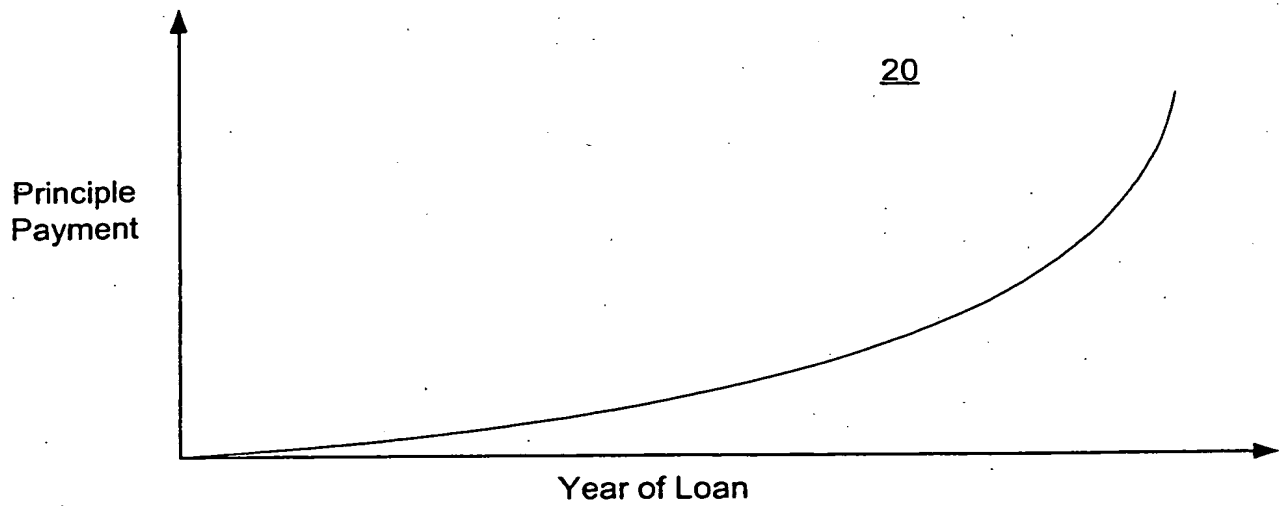


Figure 2  
(PRIOR ART)

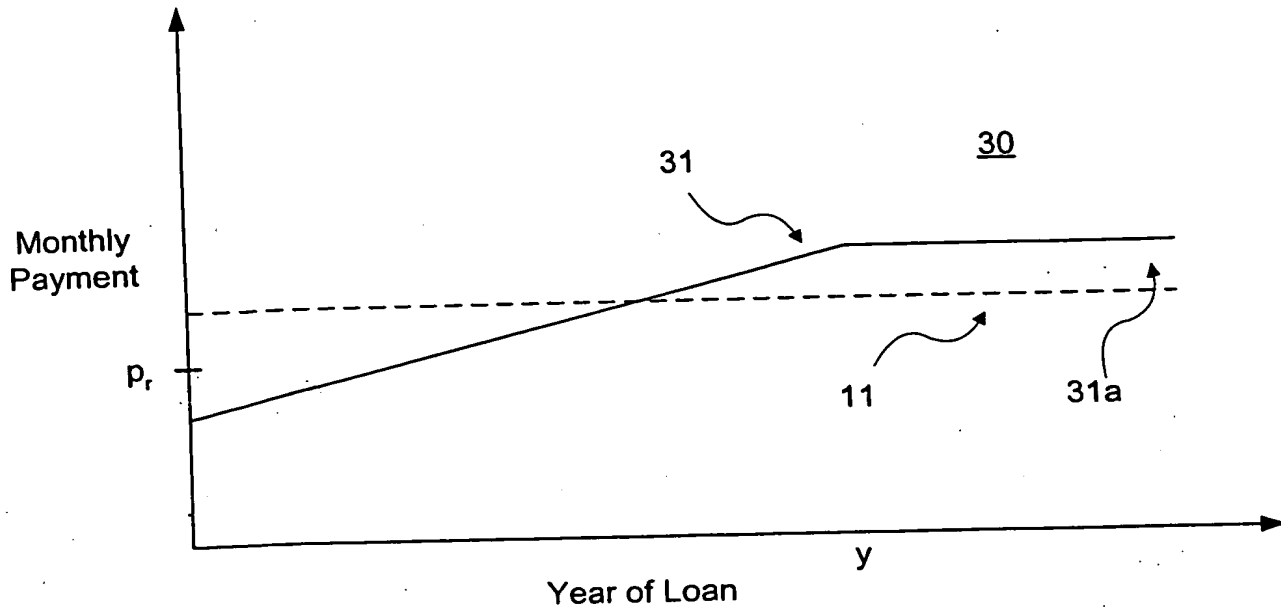


Figure 3  
(PRIOR ART)

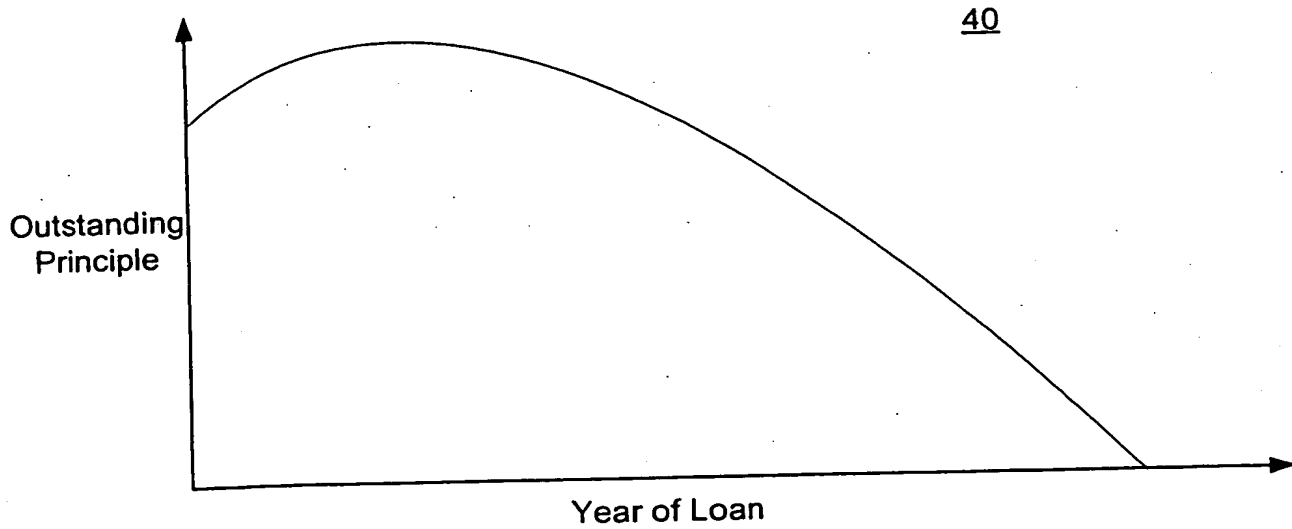


Figure 4  
(PRIOR ART)

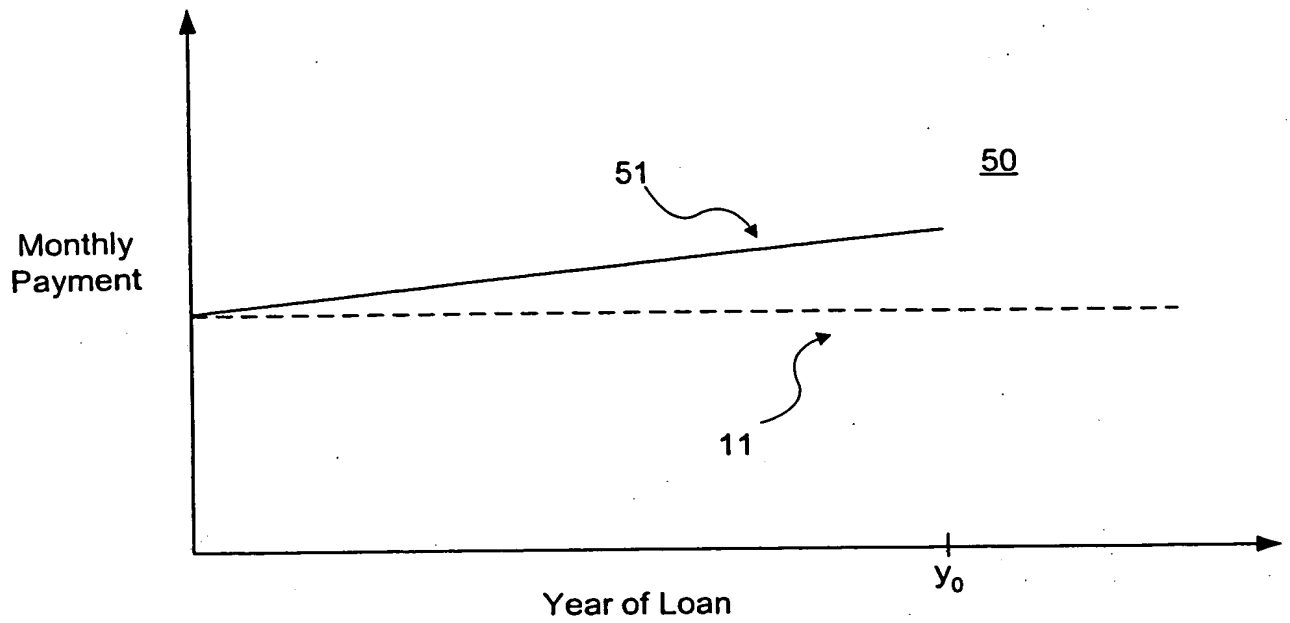


Figure 5  
(PRIOR ART)

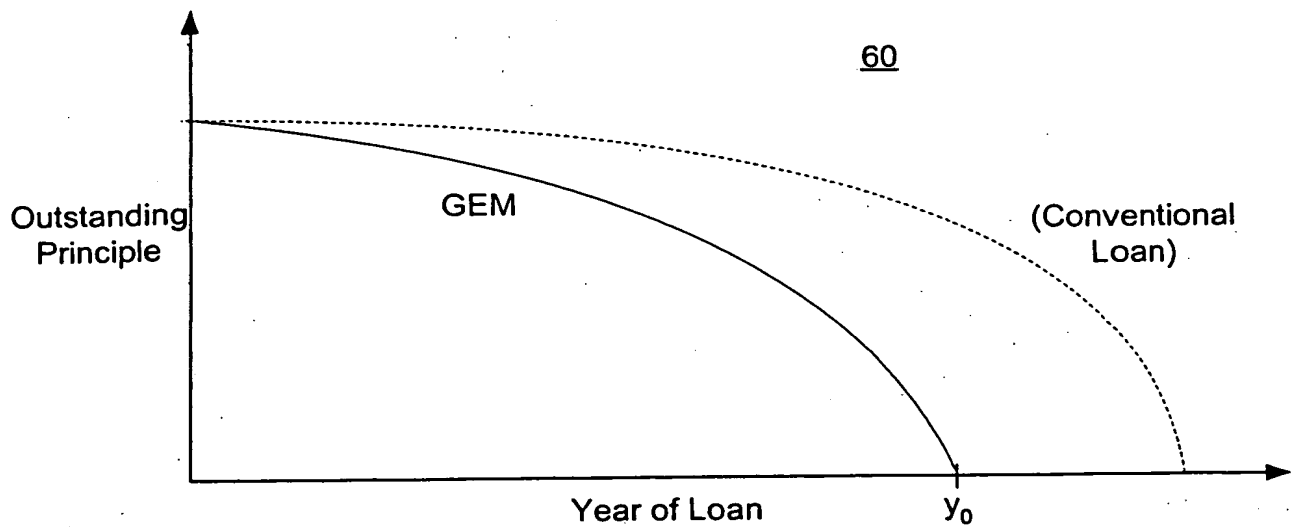
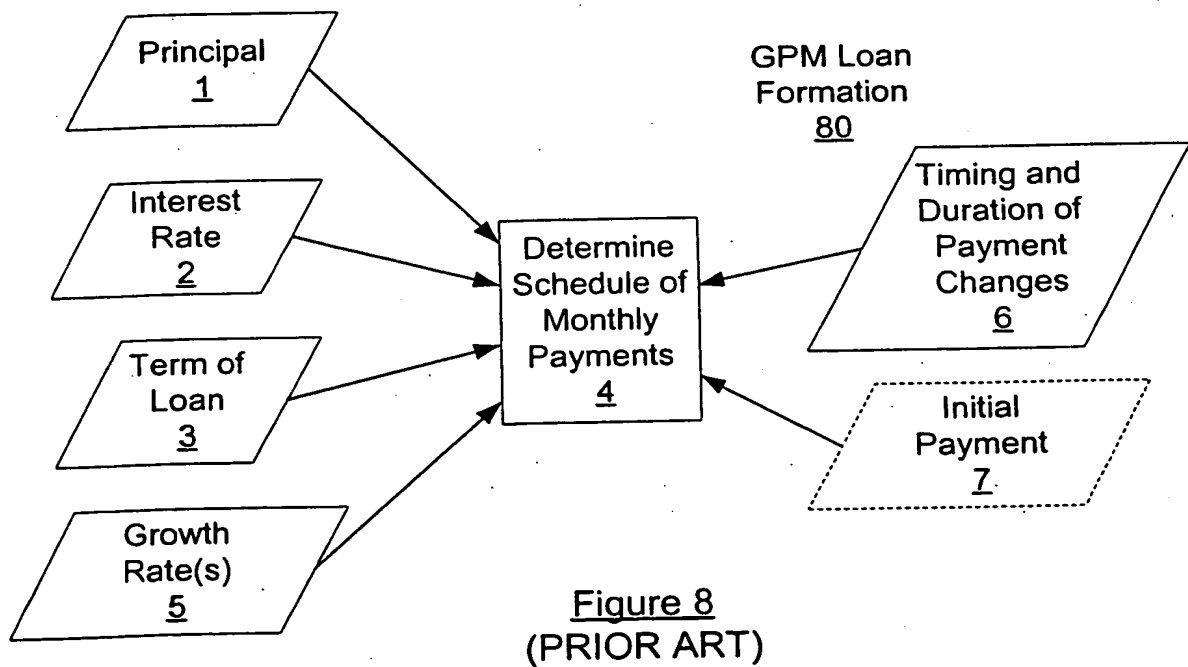
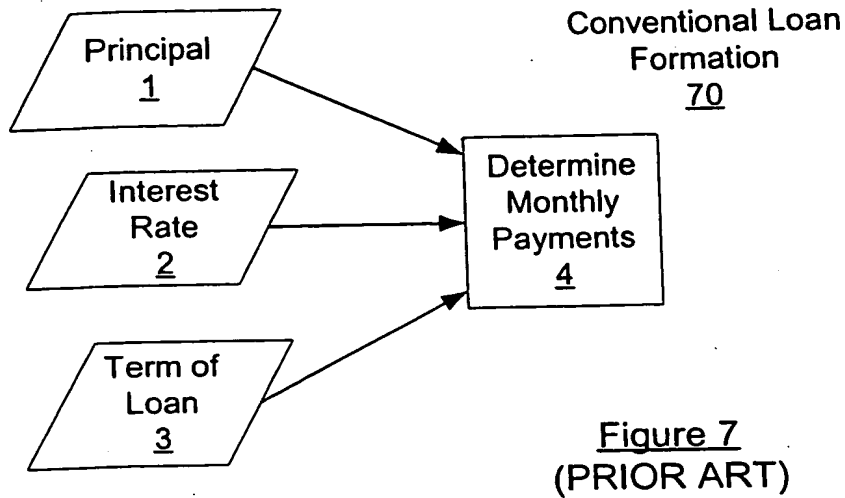


Figure 6  
(PRIOR ART)



GEM Loan  
Formation  
90

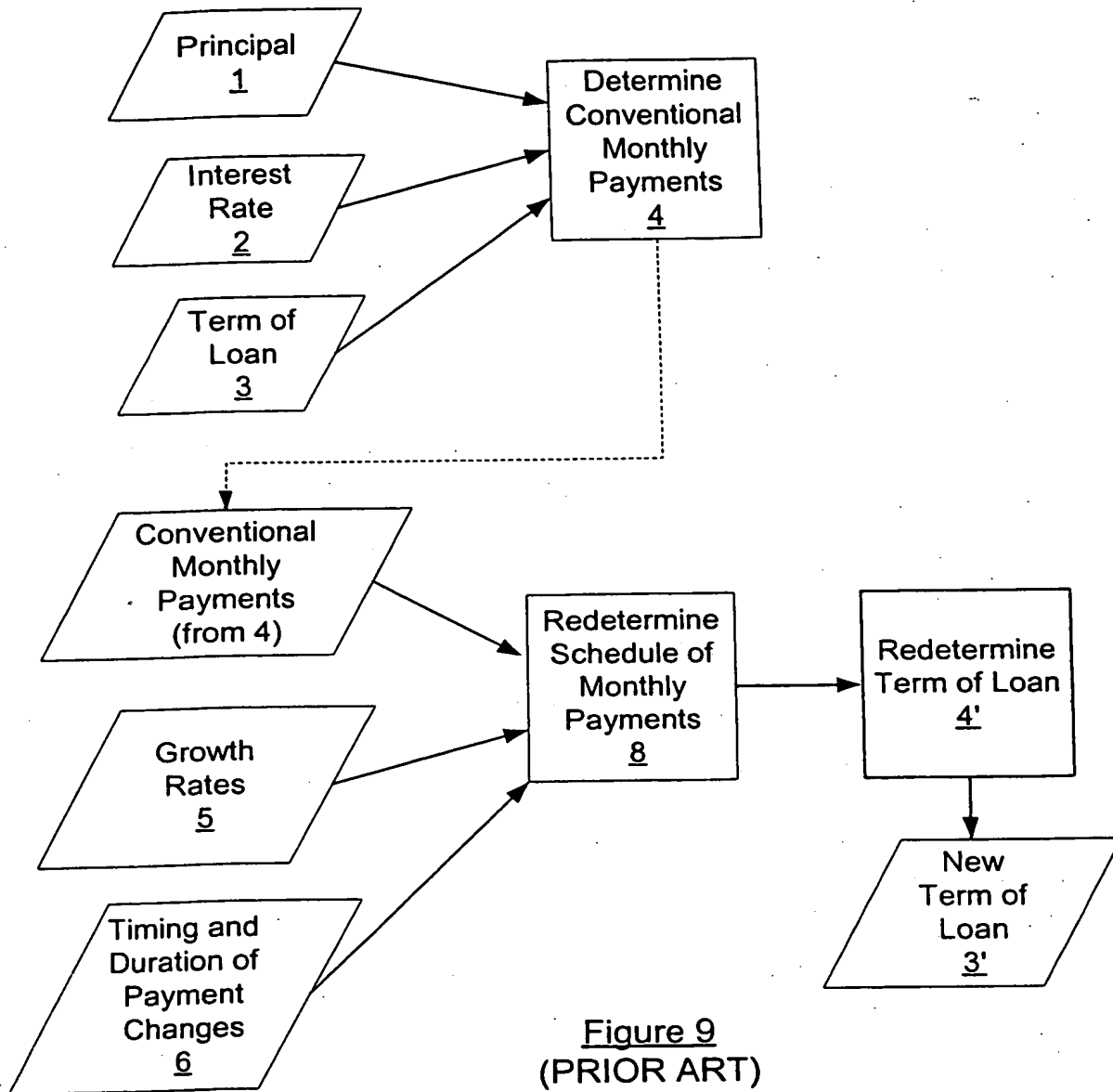


Figure 9  
(PRIOR ART)

GSP  
Loan  
Formation  
100

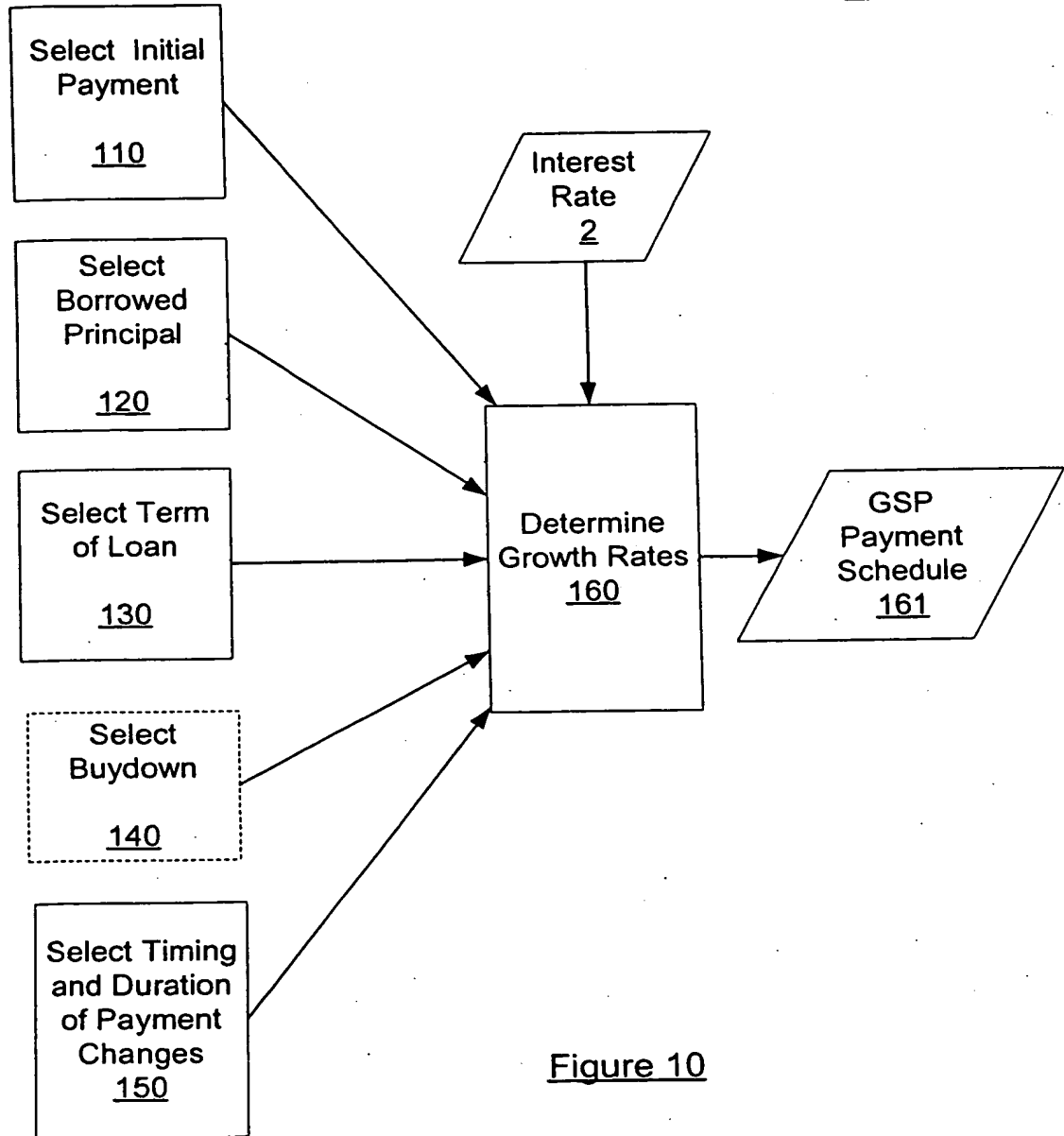


Figure 10

Figure 11(A)

**CONVENTIONAL MORTGAGE**

Interest Rate (Ri) 8.00%  
Amortization (Months) 360  
Principal Balance \$100,000.00  
Monthly Payment (Pm) \$733.76  
Annual Payment (Pa) \$8,805.17  
Constant 8.81%

A Payment Number	B Principal Outstanding B – D (prior)	C Interest Payment (Ri/12) B	D Principal Payment PM – C	E PV Interest Payment $C/(1 + Ri/12)^a$	F PV Principal Payment $D/(1 + Ri/12)^a$
1	100,000.00	666.67	67.10	662.25	66.65
2	99,932.90	666.22	67.55	657.42	66.65
3	99,865.36	665.77	68.00	652.63	66.65
4	99,797.36	665.32	68.45	647.87	66.65
5	99,728.91	664.86	68.91	643.13	66.65
6	99,660.01	664.40	69.36	638.43	66.65
7	99,590.64	663.94	69.83	633.76	66.65
8	99,520.82	663.47	70.29	629.13	66.65
9	99,450.52	663.00	70.76	624.52	66.65
10	99,379.76	662.53	71.23	619.94	66.65
11	99,308.53	662.06	71.71	615.39	66.65
12	99,236.82	661.58	72.19	610.88	66.65
13	99,164.64	661.10	72.67	606.39	66.65
14	99,091.97	660.61	73.15	601.93	66.65
15	99,018.82	660.13	73.64	597.50	66.65
16	98,945.18	659.63	74.13	593.11	66.65
17	98,871.05	659.14	74.62	588.74	66.65
18	98,796.42	658.64	75.12	584.40	66.65
19	98,721.30	658.14	75.62	580.08	66.65
20	98,645.68	657.64	76.13	575.80	66.65
21	98,569.55	657.13	76.63	571.55	66.65
22	98,492.92	656.62	77.15	567.32	66.65
23	98,415.77	656.11	77.66	563.12	66.65
24	98,338.11	655.59	78.18	558.95	66.65
25	98,259.94	655.07	78.70	554.81	66.65
37	97,280.15	648.53	85.23	507.18	66.65
49	96,219.04	641.46	92.30	463.20	66.65
61	95,069.86	633.80	99.97	422.60	66.65
73	93,825.29	625.50	108.26	385.10	66.65
85	92,477.43	616.52	117.25	350.48	66.65
97	91,017.70	606.78	126.98	318.51	66.65

Figure 11(B)

**CONVENTIONAL MORTGAGE**

Interest Rate (Ri) 8.00%  
Amortization (Months) 360  
Principal Balance \$100,000.00  
Monthly Payment (Pm) \$733.76  
Annual Payment (Pa) \$8,805.17  
Constant 8.81%

A Payment Number	B Principal Outstanding B – D (prior)	C Interest Payment (Ri/12) B	D Principal Payment PM – C	E PV Interest Payment $C/(1 + Ri/12)^a$	F PV Principal Payment $D/(1 + Ri/12)^a$
109	89,436.81	596.25	137.52	288.99	66.65
121	87,724.70	584.83	148.93	261.74	66.65
133	85,870.50	572.47	161.29	236.57	66.65
145	83,862.39	559.08	174.68	213.33	66.65
157	81,687.61	544.58	189.18	191.87	66.65
169	79,332.33	528.88	204.88	172.06	66.65
181	76,781.56	511.88	221.89	153.76	66.65
193	74,019.08	493.46	240.30	136.87	66.65
205	71,027.31	473.52	260.25	121.27	66.65
217	67,787.23	451.91	281.85	106.87	66.65
229	64,278.22	428.52	305.24	93.57	66.65
241	60,477.96	403.19	330.58	81.29	66.65
253	56,362.29	375.75	358.02	69.95	66.65
265	51,905.02	346.03	387.73	59.49	66.65
277	47,077.79	313.85	419.91	49.82	66.65
289	41,849.91	279.00	454.77	40.89	66.65
301	36,188.12	241.25	492.51	32.65	66.65
313	30,056.40	200.38	533.39	25.04	66.65
325	23,415.75	156.11	577.66	18.01	66.65



Figure 11(C)

**CONVENTIONAL MORTGAGE**

Interest Rate (Ri) 8.00%  
Amortization (Months) 360  
Principal Balance \$100,000.00  
Monthly Payment (Pm) \$733.76  
Annual Payment (Pa) \$8,805.17  
Constant 8.81%

A Payment Number	B Principal Outstanding B - D (prior)	C Interest Payment (Ri/12) B	D Principal Payment PM - C	E PV Interest Payment $C/(1 + Ri/12)^a$	F PV Principal Payment $D/(1 + Ri/12)^a$
337	16,223.93	108.16	625.61	11.52	66.65
349	8,435.20	56.23	677.53	5.53	66.65
350	7,757.67	51.72	682.05	5.05	66.65
351	7,075.62	47.17	686.59	4.58	66.65
352	6,389.03	42.59	691.17	4.11	66.65
353	5,697.86	37.99	695.78	3.64	66.65
354	5,002.08	33.35	700.42	3.17	66.65
355	4,301.66	28.68	705.09	2.71	66.65
356	3,596.57	23.98	709.79	2.25	66.65
357	2,886.79	19.25	714.52	1.80	66.65
358	2,172.27	14.48	719.28	1.34	66.65
359	1,452.98	9.69	724.08	0.89	66.65
360	728.91	4.86	728.91	0.44	66.65
Totals:	24,623,286.00	164,155.25	100,000.00	76,004.72	23,995.28

\* For constant annual adjusted payments, the exponent "a-1" is changed after every 12 payments.

Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP

Figure 11(D)

**GRADUAL PAYMENT MORTGAGE**  
Growth Rate 1.0282258%

Last Adjusted Payment/Pm 122.40%	First Adjusted Payment/Pm 90.86%	Yr1 Adjusted Constant 8.00%	Yr30 Adjusted Constant 10.68%	Tot PV Adj Payments \$100,000.00	
G Adjusted Payments $G(1+Rg/12)^{a-1}$	H PV Adjusted Payments $G/(1+Ri/12)^a$	I Principal Outstanding L - K (prior)	J Adj Interest Payment $(Ri/12) I$	K Adj Principal payment $Rm - J$	L Diff in Tot Pymnts GSP - Conv
666.67	662.25	100,000.00	666.67	0.00	(67)
666.67	657.87	100,000.00	666.67	0.00	(134)
666.67	653.51	100,000.00	666.67	0.00	(201)
666.67	649.18	100,000.00	666.67	0.00	(268)
666.67	644.88	100,000.00	666.67	0.00	(335)
666.67	640.61	100,000.00	666.67	0.00	(403)
666.67	636.37	100,000.00	666.67	0.00	(470)
666.67	632.15	100,000.00	666.67	0.00	(537)
666.67	627.97	100,000.00	666.67	0.00	(604)
666.67	623.81	100,000.00	666.67	0.00	(671)
666.67	619.68	100,000.00	666.67	0.00	(738)
666.67	615.57	100,000.00	666.67	0.00	(805)
673.55	617.81	100,000.00	666.67	6.89	(865)
673.55	613.72	99,993.11	666.62	6.93	(926)
673.55	609.66	99,986.18	666.57	6.98	(986)
673.55	605.62	99,979.20	666.53	7.03	(1,046)
673.55	601.61	99,972.17	666.48	7.07	(1,106)
673.55	597.63	99,965.10	666.43	7.12	(1,166)
673.55	593.67	99,957.98	666.39	7.17	(1,227)
673.55	589.74	99,950.81	666.34	7.22	(1,287)
673.55	585.83	99,943.60	666.29	7.26	(1,347)
673.55	581.95	99,936.34	666.24	7.31	(1,407)
673.55	578.10	99,929.02	666.19	7.36	(1,467)
673.55	574.27	99,921.66	666.14	7.41	(1,528)
680.51	576.36	99,914.25	666.10	14.42	(1,581)
687.54	537.69	99,734.76	664.90	22.64	(2,213)
694.65	501.61	99,452.84	663.02	31.63	2,761)
701.82	467.95	99,059.09	660.39	41.43	(3,223)
709.07	436.55	98,543.32	656.96	52.12	3,599)
716.40	407.26	97,894.47	652.63	63.77	(3,888)
723.80	379.93	97,100.57	647.34	76.46	(4,089)

Figure 11(E)

**GRADUAL PAYMENT MORTGAGE**  
Growth Rate 1.0282258%

Last Adjusted Payment/Pm 122.40%	First Adjusted Payment/Pm 90.86%	Yr1 Adjusted Constant 8.00%	Yr30 Adjusted Constant 10.68%	Tot PV Adj Payments \$100,000.00	
G Adjusted Payments $G(1+Rg/12)^{a-1}$	H PV Adjusted Payments $G/(1+Ri/12)^a$	I Principal Outstanding $L - K$ (prior)	J Adj Interest Payment $(Ri/12) I$	K Adj Principal payment $Rm - J$	L Diff in Tot Pymnts GSP - Conv
731.28	354.44	96,148.63	640.99	90.29	(4,201)
738.83	330.66	95,024.59	633.50	105.33	(4,223)
746.46	308.47	93,713.20	624.75	121.71	(4,155)
754.17	287.77	92,197.93	614.65	139.52	(3,995)
761.97	268.46	90,460.89	603.07	158.89	(3,742)
769.84	250.45	88,482.68	589.88	179.95	(3,396)
777.79	233.64	86,242.27	574.95	202.84	(2,955)
785.83	217.97	83,716.89	558.11	227.71	(2,419)
793.94	203.34	80,881.88	539.21	254.73	(1,786)
802.15	189.70	77,710.48	518.07	284.08	(1,055)
810.43	176.97	74,173.74	494.49	315.94	(226)
818.81	165.09	70,240.29	468.27	350.54	702
827.27	154.02	65,876.12	439.17	388.09	1,731
835.81	143.68	61,044.42	406.96	428.85	2,861
844.45	134.04	55,705.29	371.37	473.08	4,095
853.17	125.05	49,815.51	332.10	521.07	5,432
861.98	116.66	43,328.27	288.86	573.13	6,873
870.89	108.83	36,192.86	241.29	629.60	8,421
879.89	101.53	28,354.34	189.03	690.86	10,075
888.98	94.71	19,753.23	131.69	757.29	11,838

Figure 11(F)

**GRADUAL PAYMENT MORTGAGE**  
Growth Rate 1.0282258%

Last Adjusted Payment/Pm 122.40%	First Adjusted Payment/Pm 90.86%	Yr1 Adjusted Constant 8.00%	Yr30 Adjusted Constant 10.68%	Tot PV Adj Payments \$100,000.00	
G Adjusted Payments $G(1+Rg/12)^a-1$	H PV Adjusted Payments $G/(1+Ri/12)^a$	I Principal Outstanding $L - K$ (prior)	J Adj Interest Payment $(Ri/12) I$	K Adj Principal payment $Rm - J$	L Diff in Tot Pymnts GSP - Conv
898.16	88.36	10,325.05	68.83	829.33	13,710
898.16	87.77	9,495.72	63.30	834.85	13,874
898.16	87.19	8,660.87	57.74	840.42	14,038
898.16	86.61	7,820.45	52.14	846.02	14,203
898.16	86.04	6,974.42	46.50	851.66	14,367
898.16	85.47	6,122.76	40.82	857.34	14,532
898.16	84.91	5,265.42	35.10	863.06	14,696
898.16	84.34	4,402.36	29.35	868.81	14,860
898.16	83.78	3,533.55	23.56	874.60	15,025
898.16	83.23	2,658.95	17.73	880.43	15,189
898.16	82.68	1,778.52	11.86	886.30	15,354
898.16	82.13	892.21	5.95	892.21	15,518
279,673.14	100,000.00	26,950,971.68	179,673.14	100,000.00	220,948.62

Figure 12

30 YEAR MORTGAGES AT DIFFERENT INTEREST RATES  
(MONTHLY PAYMENTS OF PRINCIPAL & INTEREST EXPRESSED AS CONSTANTS)

a Int	b Year 1 Conven Mtg Const	c Year 1 GSP Mtg Const/ % Conv Const	d Year 30 GSP Mtg Const/ % Conv Const	e Year 30 minus Year 1*	f Growth Rate	g Year Pymnts Equal**	h Money Saved***	i Total Int (%Conv)	j Increased Purch Power****
6%	7.19%	6.00%/83.40%	9.77%/135.83%	377bps	1.682%	11/21	\$7,248	\$132,161(114%)	119.8%
7%	7.98%	7.00%/87.68%	10.24%/128.23%	324bps	1.312%	10/21	\$5,531	\$155,618(112%)	114.0%
8%	8.81%	8.00%/90.86%	10.78%/122.39%	278bps	1.028%	10/20	\$4,228	\$179,673(109%)	110.1%
9%	9.66%	9.00%/93.21%	11.38%/117.82%	238bps	0.808%	10/19	\$3,219	\$204,317(108%)	107.3%
10%	10.53%	10.00%/94.96%	12.03%/114.21%	203bps	0.637%	9/18	\$2,443	\$229,529(106%)	105.3%
11%	11.43%	11.00%/96.26%	12.72%/111.35%	172bps	0.502%	9/17	\$1,856	\$255,708(105%)	103.9%
12%	12.34%	12.00%/97.22%	13.46%/109.06%	146bps	0.396%	9/16	\$1,401	\$281,532(104%)	102.8%

\* DIFFERENCE BETWEEN YR1 AND YR30 PAYMENTS IN BASIS POINTS (bps), eg. 9.77% - 6.00% = 377 bps  
 \*\* YEAR ANNUAL GSP PYMNTS ARE ≥ CONV PYMNT / YEAR CUMULATIVE GSP AND CONV PYMNTS ARE EQUAL  
 \*\*\* TOT CONV PYMNTS MINUS TOT GSP PYMNTS UP TO YEAR ANNUAL PYMNTS ≥ CONV PYMNT  
 \*\*\*\* CONVENTIONAL MORTGAGE CONSTANT DIVIDED BY YR1 GSP MORTGAGE CONSTANT

Figure 13(A)

**CONVENTIONAL MORTGAGE**

Interest Rate (Ri) 8.00%  
Amortization (Months) 360  
Principal Balance \$100,000.00  
Monthly Payment (Pm) \$733.76  
Annual Payment (Pa) \$8,805.17  
Constant 8.81%

A Payment Number	B Principal Outstanding B - D (prior)	C Interest Payment (Ri/12) B	D Principal Payment PM - C	E PV Interest Payment $C/(1 + Ri/12)^a$	F PV Principal Payment $D/(1 + Ri/12)^a$
1	100,000.00	666.67	67.10	662.25	66.65
2	99,932.90	666.22	67.55	657.42	66.65
3	99,865.36	665.77	68.00	652.63	66.65
4	99,797.36	665.32	68.45	647.87	66.65
5	99,728.91	664.86	68.91	643.13	66.65
6	99,660.01	664.40	69.36	638.43	66.65
7	99,590.64	663.94	69.83	633.76	66.65
8	99,520.82	663.47	70.29	629.13	66.65
9	99,450.52	663.00	70.76	624.52	66.65
10	99,379.76	662.53	71.23	619.94	66.65
11	99,308.53	662.06	71.71	615.39	66.65
12	99,236.82	661.58	72.19	610.88	66.65
13	99,164.64	661.10	72.67	606.39	66.65
14	99,091.97	660.61	73.15	601.93	66.65
15	99,018.82	660.13	73.64	597.50	66.65
16	98,945.18	659.63	74.13	593.11	66.65
17	98,871.05	659.14	74.62	588.74	66.65
18	98,796.42	658.64	75.12	584.40	66.65
19	98,721.30	658.14	75.62	580.08	66.65
20	98,645.68	657.64	76.13	575.80	66.65
21	98,569.55	657.13	76.63	571.55	66.65
22	98,492.92	656.62	77.15	567.32	66.65
23	98,415.77	656.11	77.66	563.12	66.65
24	98,338.11	655.59	78.18	558.95	66.65
25	98,259.94	655.07	78.70	554.81	66.65
37	97,280.15	648.53	85.23	507.18	66.65
49	96,219.04	641.46	92.30	463.20	66.65
61	95,069.86	633.80	99.97	422.60	66.65
73	93,825.29	625.50	108.26	385.10	66.65
85	92,477.43	616.52	117.25	350.48	66.65
97	91,017.70	606.78	126.98	318.51	66.65
109	89,436.81	596.25	137.52	288.99	66.65
121	87,724.70	584.83	148.93	261.74	66.65
133	85,870.50	572.47	161.29	236.57	66.65
145	83,862.39	559.08	174.68	213.33	66.65
157	81,687.61	544.58	189.18	191.87	66.65
169	79,332.33	528.88	204.88	172.06	66.65
181	76,781.56	511.88	221.89	153.76	66.65

Figure 13(B)

**CONVENTIONAL MORTGAGE**

Interest Rate (Ri) 8.00%  
Amortization (Months) 360  
Principal Balance \$100,000.00  
Monthly Payment (Pm) \$733.76  
Annual Payment (Pa) \$8,805.17  
Constant 8.81%

A Payment Number	B Principal Outstanding B - D (prior)	C Interest Payment (Ri/12) B	D Principal Payment PM - C	E PV Interest Payment $C/(1 + Ri/12)^a$	F PV Principal Payment $D/(1 + Ri/12)^a$
193	74,019.08	493.46	240.30	136.87	66.65
205	71,027.31	473.52	260.25	121.27	66.65
217	67,787.23	451.91	281.85	106.87	66.65
229	64,278.22	428.52	305.24	93.57	66.65
241	60,477.96	403.19	330.58	81.29	66.65
263	52,672.79	351.15	382.61	61.17	66.65
265	51,905.02	346.03	387.73	59.49	66.65
277	47,077.79	313.85	419.91	49.82	66.65
289	41,849.91	279.00	454.77	40.89	66.65
301	36,188.12	241.25	492.51	32.65	66.65
313	30,056.40	200.38	533.39	25.04	66.65
325	23,415.75	156.11	577.66	18.01	66.65
337	16,223.93	108.16	625.61	11.52	66.65
349	8,435.20	56.23	677.53	5.53	66.65
350	7,757.67	51.72	682.05	5.05	66.65
351	7,075.62	47.17	686.59	4.58	66.65
352	6,389.03	42.59	691.17	4.11	66.65
353	5,697.86	37.99	695.78	3.64	66.65
354	5,002.08	33.35	700.42	3.17	66.65
355	4,301.66	28.68	705.09	2.71	66.65
356	3,596.57	23.98	709.79	2.25	66.65
357	2,886.79	19.25	714.52	1.80	66.65
358	2,172.27	14.48	719.28	1.34	66.65
359	1,452.98	9.69	724.08	0.89	66.65
360	728.91	4.86	728.91	0.44	66.65
Totals:	24,623,286.00	164,155.25	100,000.00	76,004.72	23,995.28

Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP

Figure 13(C)

**NEGATIVELY AMORTIZING GRADUAL PAYMENT MORTGAGE**  
Growth Rate 1.4466179%

Last Adjusted Payment/Pm 132.65%	First Adjusted Payment/Pm 87.22%	Yr1 Adjusted Constant 7.68%	Yr30 Adjusted Constant 11.68%	Tot PV Adj Payments \$100,000.00	
G Adjusted Payments $G(1+Rg/12)^{a-1}$	H PV Adjusted Payments $G/(1+Ri/12)^a$	I Principal Outstanding L - K (prior)	J Adj Interest Payment (Ri/12) L	K Adj Principal payment Rm - J	L Diff in Tot Pymnts GSP - Conv
640.00	635.76	100,000.00	666.67	(26.67)	(94)
640.00	631.55	100,026.67	666.84	(26.84)	(188)
640.00	627.37	100,053.51	667.02	(27.02)	(281)
640.00	623.21	100,080.53	667.20	(27.20)	(375)
640.00	619.09	100,107.74	667.38	(27.38)	(469)
640.00	614.99	100,135.12	667.57	(27.57)	(563)
640.00	610.91	100,162.69	667.75	(27.75)	(656)
640.00	606.87	100,190.44	667.94	(27.94)	(750)
640.00	602.85	100,218.38	668.12	(28.12)	(844)
640.00	598.86	100,246.50	668.31	(28.31)	(938)
640.00	594.89	100,274.81	668.50	(28.50)	(1,031)
640.00	590.95	100,303.31	668.69	(28.69)	(1,125)
649.32	595.59	100,332.00	668.88	(19.56)	(1,210)
649.32	591.64	100,351.56	669.01	(19.69)	(1,294)
649.32	587.72	100,371.25	669.14	(19.82)	(1,379)
649.32	583.83	100,391.07	669.27	(19.95)	(1,463)
649.32	579.97	100,411.02	669.41	(20.09)	(1,547)
649.32	576.12	100,431.11	669.54	(20.22)	(1,632)
649.32	572.31	100,451.33	669.68	(20.36)	(1,716)
649.32	568.52	100,471.69	669.81	(20.49)	(1,801)
649.32	564.75	100,492.18	669.95	(20.63)	(1,885)
649.32	561.01	100,512.81	670.09	(20.77)	(1,970)
649.32	557.30	100,533.57	670.22	(20.90)	(2,054)
649.32	553.61	100,554.48	670.36	(21.04)	(2,139)
658.78	557.95	100,575.52	670.50	(11.73)	(2,213)
668.37	522.69	100,721.53	671.48	(3.11)	(3,104)
678.10	489.66	100,760.22	671.73	6.37	(3,879)
687.98	458.72	100,680.95	671.21	16.77	(4,537)
698.00	429.73	100,472.15	669.81	28.18	(5,076)
708.16	402.58	100,121.29	667.48	40.68	(5,495)
718.47	377.14	99,614.77	664.10	54.37	(5,792)
728.94	353.30	98,937.81	659.59	69.35	(5,965)
739.55	330.98	98,074.41	653.83	85.72	(6,013)
750.32	310.06	97,007.19	646.71	103.61	(5,932)
761.25	290.47	95,717.30	638.12	123.13	(5,723)
772.33	272.11	94,184.32	627.90	144.44	(5,382)
783.58	254.92	92,386.09	615.91	167.67	(4,908)
794.99	238.81	90,298.58	601.99	193.00	(4,299)
806.57	223.72	87,895.75	585.97	220.60	(3,552)



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Figure 13(D)

**NEGATIVELY AMORTIZING GRADUAL PAYMENT MORTGAGE**  
Growth Rate 1.4466179%

Last Adjusted Payment/Pm 132.65%	First Adjusted Payment/Pm 87.22%	Yr1 Adjusted Constant 7.68%	Yr30 Adjusted Constant 11.68%	Tot PV Adj Payments \$100,000.00	
G Adjusted Payments $G(1+Rg/12)^{a-1}$	H PV Adjusted Payments $G/(1+Ri/12)^a$	I Principal Outstanding L - K (prior)	J Adj Interest Payment ( $Ri/12$ ) L	K Adj Principal payment Rm - J	L Diff in Tot Pymnts GSP - Conv
818.31	209.58	85,149.34	567.66	250.65	(2,667)
830.23	196.34	82,028.76	546.86	283.37	(1,641)
842.32	183.93	78,500.81	523.34	318.98	(471)
854.59	172.31	74,529.51	496.86	357.72	844
867.03	151.04	65,955.19	439.70	427.33	3,639
879.66	151.22	65,097.68	433.98	445.67	3,918
892.47	141.66	59,549.09	396.99	495.47	5,682
905.46	132.71	53,380.48	355.87	549.59	7,599
918.65	124.32	46,538.08	310.25	608.40	9,673
932.03	116.47	38,963.59	259.76	672.27	11,905
945.60	109.11	30,593.88	203.96	741.64	14,297
959.37	102.21	21,360.51	142.40	816.97	16,853
973.34	95.75	11,189.33	74.60	898.75	19,574
973.34	95.12	10,290.58	68.60	904.74	19,814
973.34	94.49	9,385.84	62.57	910.77	20,054
973.34	93.86	8,475.07	56.50	916.84	20,293
973.34	93.24	7,558.23	50.39	922.95	20,533
973.34	92.63	6,635.28	44.24	929.11	20,772
973.34	92.01	5,706.18	38.04	935.30	21,012
973.34	91.40	4,770.88	31.81	941.54	21,251
973.34	90.80	3,829.34	25.53	947.81	21,491
973.34	90.20	2,881.53	19.21	954.13	21,731
973.34	89.60	1,927.40	12.85	960.49	21,970
973.34	89.01	966.90	6.45	966.90	22,210
286,365.06	100,000.00	27,954,758.26	186,365.06	100,000.00	298,539.05

Figure 14(A)

GSP MORTGAGES AT DIFFERENT MATURITIES AND INTEREST RATES

a Term	b Rate	c Total Interest	d Conventional	e GSP Year1	f GSP Last Yr	g GSP Pymnt Gap	h Break Even	i Growth Rate
		Conventional	Annual Pymnt (Constant)	% Conv Pymnt (Constant)	% Conv Pymnt (Constant)	Last Year Minus Year 1	\$ Saved * Year Pymnts =	
30Yr	6%	\$115,838.19 \$132,161.16	\$7,194.61 (7.19%)	83.40% (6.00%)	135.83% (9.77%)	377bps	\$7,248.20 Yr 11	1.6832425%
	7%	\$139,508.90 \$155,617.50	\$7,983.63 (7.98%)	87.68% (7.00%)	128.23% (10.24%)	324bps	\$5,531.45 Yr 10	1.3120391%
	8%	\$164,155.25 \$179,673.14	\$8,805.17 (8.81%)	90.86% (8.00%)	122.39% (10.78%)	278bps	\$4,228.31 Yr 10	1.0282258%
	9%	\$189,664.14 \$204,317.30	\$9,655.47 (9.66%)	93.21% (9.00%)	117.82% (11.38%)	238bps	\$3,219.35 Yr 10	0.8085677%
25Yr	10%	\$215,925.77 \$229,528.64	\$10,530.86 (10.53%)	94.96% (10.00%)	114.21% (12.03%)	203bps	\$2,442.67 Yr 9	0.6371446%
	11%	\$242,836.42 \$255,278.33	\$11,427.88 (11.43%)	96.26% (11.00%)	111.35% (12.72%)	172bps	\$1,855.71 Yr 9	0.5026097%
	12%	\$270,300.53 \$281,532.23	\$12,343.35 (12.34%)	97.22% (12.00%)	109.06% (13.46%)	146bps	\$1,401.04 Yr 9	0.3966331%
	6%	\$109,466.62 \$93,290.42	\$7,731.62 (7.73%)	77.60% (6.00%)	145.99% (11.29%)	529bps	\$9,575.23 Yr 11	2.6359572%
25Yr	7%	\$112,033.76 \$128,494.25	\$8,481.35 (8.48%)	82.53% (7.00%)	137.41% (11.65%)	465bps	\$7,645.38 Yr 9	2.1269742%

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Figure 14(B)

a Term	b Rate	c Total Interest	d Conventional	e GSP Year1	f GSP Last Yr	g GSP Pymnt Gap	h Break Even	i Growth Rate
		Conventional GSP	Annual Pymnt (Constant)	% Conv Pymnt (Constant)	% Conv Pymnt (Constant)	Last Year Minus Year 1	\$ Saved * Year Pymnts =	
20Yr	8%	\$131,544.87 \$147,930.13	\$9,261.79 (9.26%)	86.38% (8.00%)	130.67% (12.10%)	410bps	\$4,887.43 Yr 9	1.7270555%
	9%	\$151,758.91 \$167,779.28	\$10,070.36 (10.07%)	89.37% (9.00%)	125.26% (12.61%)	361bps	\$3,916.01 Yr 8	1.4084613%
	10%	\$172,610.22 \$188,038.74	\$10,904.41 (10.90%)	91.71% (10.00%)	120.88% (13.18%)	318bps	\$3,916.01 Yr 8	1.1521242%
	11%	\$194,033.92 \$208,699.62	\$11,761.36 (11.76%)	93.53% (11.00%)	117.29% (13.79%)	279bps	\$3,113.45 Yr 7	0.9443855%
	12%	\$215,967.24 \$229,748.56	\$12,638.69 (12.64%)	94.95% (12.00%)	114.34% (14.45%)	245bps	\$2,484.90 Yr 7	0.7751439%
	6%	\$71,943.45 \$76,125.79	\$8,597.17 (8.60)	69.79% (6.00%)	159.71% (13.73%)	773bps	\$3,177.77 Yr 10	4.3657287%
	7%	\$86,071.74 \$102,185.45	\$9,303.59 (9.30%)	75.24% (7.00%)	150.17% (13.97%)	697bps	\$2,339.17 Yr 8	3.6445336%
	8%	\$100,745.62 \$117,270.50	\$10,037.28 (10.04%)	79.70% (8.00%)	142.46% (14.30%)	630bps	\$1,698.82 Yr 8	3.0624258%
	9%	\$115,934.23 \$132,608.71	\$10,796.71 (10.80%)	83.36% (9.00%)	136.14% (14.70%)	570bps	\$1,253.65 Yr 8	2.5861753%
	10%	\$131,605.19 \$148,206.37	\$11,580.26 (11.58%)	86.35% (10.00%)	130.88% (15.16%)	516bps	\$923.36 Yrs7-8	2.1922090%

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PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP

Figure 14(C)

a Term	b Rate	c Total Interest	d Conventional	e GSP Year1	f GSP Last Yr	g GSP Pymnt Gap	h Break Even	i Growth Rate
		Conventional GSP	Annual Pymnt (Constant)	% Conv Pymnt (Constant)	% Conv Pymnt (Constant)	Last Year Minus Year 1	\$ Saved * Year Pymnts =	
15Yr	11%	\$147,725.21 \$164,065.53	\$12,386.26 (12.39%)	88.81% (11.00%)	126.47% (15.66%)	466bps	\$659.52 Yrs 7-8	1.8635180%
	12%	\$164,260.67 \$180,185.09	\$13,213.03 (13.21%)	90.82% (12.00%)	122.73% 16.22%)	422bps	\$494.81 Yr 7	1.5874815%
	6%	\$65,766.15 \$51,894.23	\$10,126.28 (10.13%)	59.25% 6.00%)	178.99% (18.12%)	1212bps	\$2,063.14 Yr 8	7.9283130%
	7%	\$61,789.09 \$76,659.77	\$10,785.94 (10.79%)	64.90% 7.00%)	168.48% (18.17%)	1117bps	\$1,473.24 Yrs 8-9	6.8389460%
10%	8%	\$72,017.38 \$87,684.04	\$11,467.83 (11.47%)	69.76% (8.00%)	159.82% (18.33%)	1033bps	\$1,121.92 Yr 8	5.9409150%
	9%	\$82,567.99 \$98,856.68	\$12,171.20 (12.17%)	73.95% (9.00%)	152.55% (18.58%)	957bps	\$832.71 Yr 8	5.1885630%
	10%	\$93,428.92 \$110,106.45	\$12,895.26 (12.90%)	77.55% (10.00%)	146.37% (18.87%)	887bps	\$597.06 Yrs 7-8	4.5504855%
	11%	\$104,587.45 \$121,519.36	\$13,639.16 (13.64%)	80.65% (11.00%)	141.06% (19.24%)	824bps	\$427.88 Yrs 7-8	4.0041342%
12%	12%	\$116,030.25 \$133,072.71	\$14,402.02 (14.40%)	83.32% (12.00%)	136.46% (19.65%)	765bps	\$343.35 Yr 7	3.5327623%

Figure 15

COMPARISON OF GSP MORTGAGES AT VARYING MATURITIES WITH INITIAL PAYMENTS EQUAL TO THE CONSTANT PAYMENTS OF  
30 YEAR CONVENTIONAL MORTGAGES FOR \$100,000

a Interest Rate	b Type	c Total Interest/ % 30 Yr Conv	d Year 1 Constant	e Difference Final Yr Constant	f Final Year Year 1 & Final Year	g Average Divided by Year 1	h Change Per Year	i Growth Rate
6%	30 Yr Conv	\$115,838	7.19%					0.7841902%
	25 Yr GSP	\$97,923/84.5%	7.19%	8.68%	149bps	121%	6bps	2.2535785%
	20 Yr GSP	\$79,714/68.8%	7.19%	11.04%	385bps	154%	20bps	5.3639330%
	15 Yr GSP	\$61,195/52.8%	7.19%	15.22%	803bps	211%	57bps	
7%	30 Yr Conv	\$139,509	7.98%					0.6953153%
	25 Yr GSP	\$117,226/84.0%	7.98%	9.43%	145bps	118%	6bps	2.0249309%
	20 Yr GSP	\$94,830/68.0%	7.98%	11.73%	375bps	147%	20bps	4.8929268%
	15 Yr GSP	\$72,329/51.8%	7.98%	15.82%	784bps	202%	56bps	
8%	30 Yr Conv	\$164,155	8.81%					0.6138358%
	25 Yr GSP	\$137,184/83.6%	8.81%	10.20%	139bps	116%	6bps	1.8137732%
	20 Yr GSP	\$110,336/67.2%	8.81%	12.42%	361bps	141%	19bps	4.4549135%
	15 Yr GSP	\$83,652/51.0%	8.81%	16.41%	760bps	186%	54bps	
9%	30 Yr Conv	\$189,664	9.66%					0.5395744%
	25 Yr GSP	\$157,754/83.2%	9.66%	10.99%	133bps	114%	6bps	1.6196683%
	20 Yr GSP	\$126,190/66.5%	9.66%	13.13%	347bps	136%	18bps	4.0489668%
	15 Yr GSP	\$95,142/50.2%	9.66%	17.00%	734bps	176%	52bps	
10%	30 Yr Conv	\$215,926	10.53%					0.4722868%
	25 Yr GSP	\$178,782/82.8%	10.53%	11.79%	126bps	112%	5bps	1.4420455%
	20 Yr GSP	\$142,356/65.9%	10.53%	13.85%	332bps	132%	17bps	3.6739510%
	15 Yr GSP	\$106,783/49.5%	10.53%	17.60%	707bps	167%	50bps	
11%	30 Yr Conv	\$242,836	11.43%					0.4116715%
	25 Yr GSP	\$200,295/82.5%	11.43%	12.61%	118bps	110%	5bps	1.2802203%
	20 Yr GSP	\$158,802/65.4%	11.43%	14.57%	314bps	127%	17bps	3.3285580%
	15 Yr GSP	\$118,563/48.8%	11.43%	18.20%	677bps	159%	48bps	
12%	30 Yr Conv	\$270,301	12.34%					0.3573777%
	25 Yr GSP	\$222,210/82.2%	12.34%	13.45%	111bps	102%	5bps	1.1334142%
	20 Yr GSP	\$175,505/64.9%	12.34%	15.31%	297bps	124%	16bps	3.0113474%
	15 Yr GSP	\$130,471/48.3%	12.34%	18.81%	647bps	147%	46bps	

Figure 16(A)

15 & 20 YEAR GSP MORTGAGES WITH INITIAL PAYMENTS  
5% AND 10% LESS THAN COMPARABLE CONVENTIONAL LOANS

a	b	c	d	e	f	g	h	i
Int Rate	Total Conv Int	Total GSP Int	Total GSP - Tot Conv Int (% Tot Conv Int)	Yr1 GSP Monthly Pymnt (Constant)	Yr1 - Last Yr	Yr Pymnts Are Equal (Annual/Cum)	Savings to Yr Pymnts Are Equal	Growth Rate
15 Yr GSP								
Yr 10% < 15 Yr Conv								
6	\$51,894	\$54,850	\$2,956(5.70%)	\$759.47(9.11%)	251bps	8/14	\$3,629	1.7413945%
7	\$61,789	\$65,563	\$3,774(6.11%)	\$808.95(9.71%)	277bps	7/13	\$3,775	1.7931200%
8	\$72,017	\$76,729	\$4,712(6.53%)	\$860.09(10.32%)	304bps	7/13	\$3,924	1.8471680%
9	\$82,568	\$88,346	\$5,778(7.00%)	\$912.84(10.95%)	334bps	7/13	\$4,066	1.9035785%
10	\$93,429	\$100,415	\$6,986(7.48%)	\$967.14(11.61%)	367bps	7/12	\$4,198	1.9623879%
11	\$104,587	\$112,934	\$8,347(7.98%)	\$1,022.94(12.28%)	402bps	7/12	\$4,300	2.0236280%
12	\$116,030	\$125,902	\$9,877(8.51%)	\$1,080.15(12.96%)	439bps	6/12	\$4,427	2.0873255%
15 Yr GSP								
Yr 5% < 15 Yr Conv								
6	\$51,894	\$53,342	\$1,448(2.79%)	\$801.66(9.62%)	123bps	7/13	\$1,779	0.8587940%
7	\$61,789	\$63,636	\$1,847(2.99%)	\$853.89(10.25%)	135bps	7/13	\$1,854	0.8848495%
8	\$72,017	\$74,321	\$2,304(3.20%)	\$907.87(10.89%)	148bps	7/13	\$1,925	0.9120955%
9	\$82,568	\$85,391	\$2,823(3.42%)	\$963.55(11.56%)	163bps	7/12	\$1,992	0.9405538%
10	\$93,429	\$96,839	\$3,410(3.65%)	\$1,020.87(12.25%)	178bps	7/12	\$2,054	0.9702451%
11	\$104,587	\$108,657	\$4,070(3.89%)	\$1,079.77(12.96%)	195bps	7/12	\$2,110	1.0011877%
12	\$116,030	\$120,838	\$4,808(4.14%)	\$1,140.16(13.68%)	213bps	6/11	\$2,160	1.0333960%
20 Yr GSP								
Yr 10% < 20 Yr Conv								
6	\$71,943	\$76,569	\$4,626(6.43%)	\$644.79(7.74%)	227bps	9/17	\$3,837	1.3570550%
7	\$86,072	\$92,120	\$6,048(7.03%)	\$697.77(8.37%)	257bps	9/16	\$4015	1.4117785%
8	\$100,746	\$108,467	\$7,721(7.66%)	\$752.80(9.03%)	291bps	9/16	\$4,175	1.4695368%
9	\$115,934	\$125,606	\$9,672(8.34%)	\$809.75(9.72%)	328bps	8/15	\$4,331	1.5303690%
10	\$131,605	\$143,532	\$11,927(9.06%)	\$868.52(10.42%)	368bps	8/15	\$4,496	1.5943031%
11	\$147,725	\$162,239	\$14,514(9.83%)	\$928.72(11.15%)	413bps	8/14	\$4,640	1.6613545%
12	\$164,261	\$181,723	\$17,462(10.63%)	\$990.98(11.89%)*	463bps	8/14	\$4,762	1.7315264%

Figure 16(B)

20 Yr GSP	6	\$71,943	\$74,204	\$2,261 (3.13%)	\$680.61 (8.17%)	111bps	9/17	\$1,882	0.6697840%
Yr 5%<20 Yr Conv	7	\$86,072	\$89,025	\$2,953 (3.43%)	\$736.53 (8.84%)	125bps	9/16	\$1,966	0.6973578%
	8	\$100,746	\$104,510	\$3,764 (3.74%)	\$794.62 (9.54%)	141bps	9/16	\$2,040	0.7264866%
	9	\$115,934	\$120,642	\$4,708 (4.06%)	\$854.74 (10.26%)	159bps	8/15	\$2,121	0.7571935%
	10	\$131,605	\$137,402	\$5,797 (4.40%)	\$916.77 (11.00%)	178bps	8/15	\$2,198	0.7894939%
	11	\$147,725	\$154,767	\$7,042 (4.77%)	\$980.58 (11.77%)	199bps	8/14	\$2,264	0.8233978%
	12	\$164,261	\$172,717	\$8,456 (5.15%)	\$1,046.03 (12.55%)	222bps	7/14	\$2,322	0.8589086%

- \* YEAR ANNUAL PYMNTS ARE + OR- EQUAL / YEAR CUMULATIVE PYMNTS ARE + OR- EQUAL
- \*\* REFLECTS NEGATIVE AMORTIZATION BECAUSE YR1 GSP PYMNT IS LESS THAN INTEREST ONLY PYMNT

Figure 17

IMPACT OF A 20BPS REDUCTION IN INTEREST RATE ON 20 YEAR GSP MORTGAGES WITH FIRST YEAR PAYMENTS EQUAL TO THE  
INITIAL PAYMENTS OF 30 YEAR CONVENTIONAL MORTGAGES FOR \$100,000

a	b	c	d	e	f	g	h	i
Interest Rate	Type	Total Interest/ \$ 30 Yr Conven	Year 1 Constant	Final Yr Constant	Difference Year 1 & Final Year	Final Year Divided by Year 1	Average Change Per Year	Growth Rate
6%	30 Yr Conv	\$115,838	7.19%					
6.00%	20 Yr GSP	\$79,714/68.8%	7.19%	10.81%	361bps	150%	19bps	2.2535890%
5.80%	20 Yr GSP	\$75,866/65.5%	7.19%	10.60%	341bps	147%	18bps	2.0412666%
7%	30 Yr Conv	\$139,509	7.98%					
7.00%	20 Yr GSP	\$94,830/68.0%	7.98%	11.51%	353bps	144%	19bps	2.0249783%
6.80%	20 Yr GSP	\$90,681/65.0%	7.98%	11.26%	328bps	141%	17bps	1.8122503%
8%	30 Yr Conv	\$164,155	8.81%					
8.00%	20 Yr GSP	\$110,331/67.2%	8.81%	12.22%	341bps	139%	18bps	1.8129464%
7.80%	20 Yr GSP	\$105,877/64.5%	8.81%	11.93%	313bps	135%	16bps	1.6006830%
9%	30 Yr Conv	\$189,664	9.66%					
9.00%	20 Yr GSP	\$126,190/66.5%	9.66%	12.94%	328bps	134%	17bps	1.6197138%
8.80%	20 Yr GSP	\$121,413/64.0%	9.66%	12.61%	295bps	131%	16bps	1.4060570%
10%	30 Yr Conv	\$215,926	10.53%					
10.00%	20 Yr GSP	\$142,356/65.9%	10.53%	13.67%	314bps	130%	17bps	1.4420718%
9.80%	20 Yr GSP	\$137,255/63.6%	10.53%	13.30%	277bps	126%	15bps	1.2278941%
11%	30 Yr Conv	\$242,836	11.43%					
11.00%	20 Yr GSP	\$158,803/65.4%	11.43%	14.40%	297bps	126%	16bps	1.2802753%
10.80%	20 Yr GSP	\$153,370/63.2%	11.43%	13.99%	256bps	122%	13bps	1.0655400%
12%	30 Yr Conv	\$270,301	12.34%					
12.00%	20 Yr GSP	\$175,506/64.9%	12.34%	15.15%	281bps	123%	15bps	1.1334552%
11.80%	20 Yr GSP	\$169,734/62.8%	12.34%	14.84%	235bps	120%	12bps	0.9181274%



Interest Rate (Ri)	10.00%
Amortization (Months)	360
Principal Balance	\$100,000.00
Monthly Payment (Pm)	\$877.57
Annual Payment (Pa)	\$10,530.88
Conventional Constant	10.53%

Year	a Payment Number	b Principal Outstanding b - b (prior)	c Interest Payment (Ri/12) b	d Principal Payment Pm - c	e PV Interest Payment c(1 + Ri/12)^a	f PV Principal Payment d(1 + Ri/12)^a
	1	100,000.00	833.33	44.24	826.45	43.87
	2	99,955.76	832.96	44.61	819.25	43.87
	3	99,911.15	832.59	44.98	812.12	43.87
	4	99,866.18	832.22	45.35	805.05	43.87
	5	99,820.82	831.84	45.73	798.03	43.87
	6	99,775.09	831.48	46.11	791.07	43.87
	7	99,728.98	831.07	46.50	784.17	43.87
	8	99,682.48	830.69	46.88	777.33	43.87
	9	99,635.60	830.30	47.27	770.54	43.87
	10	99,588.32	829.90	47.67	763.81	43.87
	11	99,540.65	829.51	48.07	757.14	43.87
	12	99,492.59	829.10	48.47	750.52	43.87
	13	99,444.12	828.70	48.87	743.95	43.87
	14	99,395.25	828.29	49.28	737.44	43.87
	15	99,345.97	827.88	49.69	730.98	43.87
	16	99,296.28	827.47	50.10	724.58	43.87
	17	99,246.18	827.05	50.52	718.23	43.87
	18	99,195.86	826.63	50.94	711.93	43.87
	19	99,144.72	826.21	51.37	705.88	43.87
	20	99,093.36	825.78	51.79	899.49	43.87
	21	99,041.56	825.35	52.23	693.35	43.87

Figure 18(A)

Figure 18(B)

CONVENTIONAL MORTGAGE

Interest Rate (Ri) 10.00%  
 Amortization (Months) 360  
 Principal Balance \$100,000.00  
 Monthly Payment (Pm) \$877.57  
 Annual Payment (Pa) \$10,530.88  
 Conventional Constant 10.53%

Year	a Payment Number	b Principal Outstanding	c Interest Payment	d Principal Payment	e PV Interest Payment	f PV Principal Payment
2	22	98,989.34	824.91	52.68	687.25	43.87
	23	98,938.68	824.47	53.10	881.21	43.87
	24	98,883.58	824.03	53.54	675.22	43.87
	25	98,830.04	823.58	53.99	869.27	43.87
	26	98,776.05	823.13	54.44	663.38	43.87
	27	98,721.61	822.68	54.89	857.54	43.87
	28	98,666.72	822.22	55.35	651.74	43.87
	29	98,611.37	821.76	55.81	845.99	43.87
	30	98,555.56	821.30	56.28	640.29	43.87
	31	98,499.28	820.83	56.74	834.63	43.87
	32	98,442.54	820.35	57.22	629.03	43.87
	33	98,385.32	819.88	57.89	823.47	43.87
	34	98,327.63	819.40	58.17	617.95	43.87
	35	98,269.45	818.91	58.66	612.48	43.87
	36	98,210.79	818.42	59.15	607.06	43.87
	37	98,151.65	817.93	59.84	801.68	43.87
	38	98,092.00	817.43	60.14	596.34	43.87
	39	98,031.87	816.93	60.64	591.05	43.87
	40	97,971.23	816.43	61.14	585.80	43.87
	41	97,910.08	815.92	61.65	580.60	43.87
	42	97,848.43	815.40	62.17	575.44	43.87
	43	97,786.26	814.89	62.69	570.32	43.87
	44	97,723.57	814.36	63.21	565.24	43.87
	45	97,660.37	813.84	63.74	560.21	43.87
3						

Interest Rate (Ri)	10.00%
Amortization (Months)	360
Principal Balance	\$100,000.00
Monthly Payment (Pm)	\$877.57
Annual Payment (Pa)	\$10,530.88
Conventional Constant	10.53%

**Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP**

Figure 18(D)

FOUR YEAR BUYDOWN  
 30 YEAR GRADUAL PAYMENT MORTGAGE  
 GSP Growth Rate 0 13371446%

Total PV Adjusted Payments \$100,000.00

Year	Yr 1 Adjusted Payment \$10,000.00	Yr 30 Adj Payments \$12,028.86	Yr 1 Adjusted Constant 10.00%	Yr 30 Adj Constant 12.03%	k Adj Principal Payment g - j
	g Adjusted Payments $g(1 + Rg/12)^{(a-1)}$	h PV Adjusted Payments $g(1 + R/12)^{1-a}$	i Principal Outstanding i - k (prior)	j Adj Interest Payment (R/12)	
	833.33	826.45	100,000.00	833.33	0.00
	833.33	819.62	100,000.00	833.33	0.00
	833.33	812.84	100,000.00	833.33	0.00
	833.33	806.12	100,000.00	833.33	0.00
	833.33	799.46	100,000.00	833.33	0.00
	833.33	792.86	100,000.00	833.33	0.00
	833.33	788.30	100,000.00	833.33	0.00
	833.33	779.80	100,000.00	833.33	0.00
	833.33	773.36	100,000.00	833.33	0.00
	833.33	786.97	100,000.00	833.33	0.00
	833.33	780.83	100,000.00	833.33	0.00
	833.33	754.34	100,000.00	833.33	5.33
	838.66	752.89	100,000.00	833.33	5.37
	838.66	746.67	99,994.87	833.29	5.41
	838.68	740.50	99,989.31	833.24	5.46
	838.66	734.38	99,983.89	833.20	5.50
	838.68	728.31	99,978.43	833.15	5.55
	838.68	722.29	99,972.93	833.11	5.80
	838.68	718.32	99,937.38	833.06	5.64
	838.68	710.40	99,981.78	833.01	

Figure 18(E)

FOUR YEAR BUYDOWN  
30 YEAR GRADUAL PAYMENT MORTGAGE  
GSP Growth Rate 0 13371446%

Total PV Adjusted Payments \$100,000.00

Year	Yr 1 Adjusted Payment \$10,000.00	Yr 30 Adj Payments \$12,028.86	Yr 1 Adjusted Constant 10.00%	Yr 30 Adj Constant 12.03%	k Adj Principal Payment
	g Adjusted Payments	h PV Adjusted Payments	i Principal Outstanding	j Adj Interest Payment	
	838.88	704.53	99,953.14	832.97	5.89
	838.66	698.71	99,950.45	832.92	5.74
	838.66	692.93	99,944.71	832.87	5.79
	838.66	887.20	99,938.92	832.82	5.83
	844.02	685.88	99,933.09	832.78	11.24
	844.02	880.21	99,921.85	832.88	11.34
	844.02	674.59	99,910.51	832.59	11.43
	844.02	689.02	99,899.08	832.49	11.53
	844.02	863.49	99,887.58	832.40	11.62
	844.02	858.00	99,875.93	832.30	11.72
	844.02	852.56	99,864.22	832.20	11.82
	844.02	847.17	99,852.40	832.10	11.91
	844.02	841.82	99,840.49	832.00	12.01
	844.02	836.52	99,828.47	831.90	12.11
	844.02	631.28	99,816.36	831.80	12.21
	844.02	628.04	99,804.14	831.70	12.32
	849.41	824.83	99,791.83	831.60	17.81
	849.41	e19.67	99,774.02	831.45	17.96
	849.41	614.55	99,756.06	831.30	18.11
	849.41	809.47	99,737.94	831.15	18.26
	849.41	604.43	99,719.88	831.00	18.41
	849.41	599.44	99,701.27	830.84	18.57
	849.41	594.48	99,682.70	830.89	18.72

Year	g	h	i	j	k
	Yr 1 Adjusted Payment	Yr 30 Adj Payments	Yr 1 Adjusted Constant	Yr 30 Adj Constant	Adj Principal Payment
	Adjusted Payments	PV Adjusted Payments	Principal Outstanding	Adj Interest Payment	
4	849.41	589.57	99,663.98	830.53	18.88
5	849.41	584.70	99,645.10	830.38	19.03
6	849.41	579.87	99,626.07	830.22	19.19
8	849.41	575.07	99,606.88	830.06	19.35
10	849.41	570.32	99,587.52	829.90	19.51
12	854.84	\$569.22	99,568.01	829.73	25.1.1
14	867.70	477.39	98,564.05	82137	46.34
16					
18					
20					
22					
24					
26					
28					
30					
Total					

Figure 18(G)

FOUR YEAR BUYDOWN  
30 YEAR GRADUAL PAYMENT MORTGAGE  
GSP Growth Rate 0 13371446%

Total PV Adjusted Payments		\$100,000.00			
Year	Yr 1 Adjusted Payment \$10,000.00	Yr 30 Adj Payments \$12,028.86	Yr 1 Adjusted Constant 10.00%	Yr 30 Adj Constant 12.03%	Adj Principal Payment k
	g Adjusted Payments	h PV Adjusted Payments	i Principal Outstanding	j Adj Interest Payment	
	964.82	88.40	53,676.39	447.30	517.51
	977.19	73.37	39,762.99	331.36	64.583
	989.72	60.89	22,453.16	187.11	802.61
	1,002.40	50.53	.994.12	8.28	994.12
Total		100,000.00	27,543,43694	229,52864	100,000.00

Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP

Figure 18(H)

[illegible]



2

3

4 5 6 8 10 12 14 16 18 20

Figure 18(J)

22  
24  
26  
28  
30  
Total

Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001CIP

Figure 19(A)

CONVENTIONAL MORTGAGE

Interest Rate (RI)	10.00%					
Amortization (Months)	360					
Principal Balance	\$100,000.00					
Monthly Payment (Pm)	\$877.57					
Annual Payment (Pa)	\$10,530.88					
Conventional Constant	10.53%					
Year	a Payment Number	b Principal Outstanding b - b' (prior)	c Interest Payment (Ri/12) b	d Principal Payment Pm - c	e PV Interest Payment $c(1 + Ri/12)^a$	f PV Principal Payment $d(1 + Ri/12)^a$
1	1	100,000.00	833.33	44.24	826.45	43.87
	2	99,955.76	832.96	44.61	819.25	43.87
	3	99,911.15	832.59	44.98	812.12	43.87
	4	99,866.18	832.22	45.35	805.05	43.87
	5	99,820.82	831.84	45.73	798.03	43.87
	6	99,775.09	831.46	46.11	791.07	43.87
	7	99,728.98	831.07	46.50	784.17	43.87
	8	99,682.48	830.69	46.88	777.33	43.87
	9	99,635.60	830.30	47.27	770.54	43.87
	10	99,588.32	829.90	47.67	763.81	43.87
2	11	99,540.65	829.51	48.07	757.14	43.87
	12	99,492.59	829.10	48.47	750.52	43.87
	13	99,444.12	828.70	48.87	743.95	43.87
	14	99,395.25	828.29	49.28	737.44	43.87
	15	99,345.97	827.88	49.69	730.98	43.87
	16	99,296.28	827.47	50.10	724.58	43.87
	17	99,246.18	827.05	50.52	718.23	43.87
	18	99,195.66	826.63	50.94	711.93	43.87
	19	99,144.72	826.21	51.37	705.68	43.87
	20	99,093.36	825.78	51.79	699.49	43.87
3	21	99,041.56	825.35	52.23	693.35	43.87
	22	98,989.34	824.91	52.66	687.25	43.87
	23	98,936.68	824.47	53.10	681.21	43.87
	24	98,883.58	824.03	53.54	675.22	43.87
	25	98,830.04	823.58	53.99	669.27	43.87
	26	98,776.05	823.13	54.44	663.38	43.87
	27	98,721.61	822.68	54.89	657.54	43.87
	28	98,666.72	822.22	55.35	651.74	43.87
	29	98,611.37	821.76	55.81	645.99	43.87
	30	98,555.56	821.30	56.28	640.29	43.87
4	31	98,499.28	820.83	56.74	634.63	43.87
	32	98,442.54	820.35	57.22	629.03	43.87
	33	98,385.32	819.88	57.69	623.47	43.87
	34	98,327.63	819.40	58.17	617.95	43.87
	35	98,269.45	818.91	58.66	612.48	43.87
	36	98,210.79	818.42	59.15	607.06	43.87
	37	98,151.65	817.93	59.64	601.68	43.87

Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN  
Inventor: Wendell DICKERSON  
Attorney Docket No. 86952-0001 CIP

Figure 19(B)

	38	98,092.00	817.43	60.14	596.34	43.87
	39	98,031.87	816.93	60.64	591.05	43.87
	40	97,971.23	816.43	61.14	585.80	43.87
	41	97,910.08	815.92	61.65	580.60	43.87
	42	97,848.43	815.40	62.17	575.44	43.87
	43	97,786.26	814.89	62.69	570.32	43.87
	44	97,723.57	814.36	63.21	565.24	43.87
	45	97,660.37	813.84	63.74	560.21	43.87
	46	97,596.63	813.31	64.27	555.22	43.87
	47	97,532.36	812.77	64.80	550.27	43.87
	48	97,467.56	812.23	65.34	545.36	43.87
5	49	97,862.16	897.07	55.25	573.65	44.00
6	72	95,739.47	797.83	79.74	438.95	43.87
8	96	93,630.52	780.25	97.32	351.75	43.87
10	(20	91,05678	758.81	118.77	280.31	43.87
12	144	87,91582	73263	144.94	221.76	43.87
14	168	84,08261	700.69	176.84	173.79	43.87
16	192	79,404.59	661.70	215.87	134.48	43.87
18	216	73,695.58	614.13	263.44	102.27	43.87
20	240	66,728.36	556.07	321.50	75.88	43.87
22	264	58,225.63	485.21	392.36	54.26	43.87
24	288	47,848.97	394.74	478.83	36.53	43.87
26	312	35,185.39	293.21	584.36	22.01	43.87
27-11	335	20,438.13	170.32	707.25	10.57	43.87
28	336	19,730.87	164.42	713.15	10.12	43.87
30	360	870.32	7.25	870.32	037	43.87
Total		25,925.77	215,925.77	100,000.00		

Figure 19(C)

FOUR YEAR BUYDOWN  
27 YEAR 11 MONTH GRADUAL PAYMENT MORTGAGE  
Growth Rate 0.8116285%

Total PV Adjusted Payments \$100,000.00

Yr 1 Adjusted Payment \$10,174.00	Last 12 Mos Adj Payment \$12,657.32	Yr 1 Adjusted Constant 10.00%	Adj Principal Payment Rm-j	
g Adjusted Payments $g(1 + Rg/12)^{(a-1)}$	h PV Adjusted Payments $g(1 + Ri/12)^a$	i Principal Outstanding i - k (prior)	j Adj Interest Payment (Ri/12)	k Adj Principal Payment Rm - j
847.84	840.83	101,740.75	847.84	0.00
847.84	833.88	101,740.75	847.84	0.00
847.84	826.99	101,740.75	847.84	0.00
847.84	820.16	101,740.75	847.84	0.00
847.84	813.38	101,740.75	847.84	0.00
847.84	806.66	101,740.75	847.84	0.00
847.84	799.99	101,740.75	847.84	0.00
847.84	793.38	101,740.75	847.84	0.00
847.84	786.82	101,740.75	847.84	0.00
847.84	780.32	101,740.75	847.84	0.00
847.84	773.87	101,740.75	847.84	0.00
847.84	767.48	101,740.75	847.84	0.00
854.75	767.33	101,740.75	847.84	6.91
854.75	760.99	101,733.84	847.78	6.96
854.75	754.70	101,726.88	847.72	7.02
854.75	748.47	101,719.85	847.67	7.08
854.75	742.28	101,712.77	847.61	7.14
854.75	736.14	101,705.63	847.55	7.20
854.75	730.06	101,698.43	847.40	7.26
854.75	724.03	101,691.17	847.43	7.32
854.75	718.04	101,683.85	847.37	7.38
854.75	712.11	101,676.47	847.30	7.44
854.75	706.22	101,669.03	847.24	7.51
854.75	700.39	101,661.52	847.18	7.57
861.71	700.26	101,653.95	847.12	14.59
861.71	694.47	101,639.36	846.99	14.72
861.71	688.73	101,624.64	846.87	14.84
861.71	683.04	101,609.81	846.75	14.96
861.71	677.39	101,594.84	846.62	15.09
861.71	671.80	101,579.76	846.50	15.21
861.71	666.24	101,564.55	846.37	15.34
861.71	660.74	101,549.21	846.24	15.47
861.71	655.28	101,533.74	846.11	15.60
861.71	649.86	101,518.14	845.98	15.73
861.71	644.49	101,502.42	845.85	15.86
861.71	639.16	101,486.56	845.72	15.99
868.73	639.05	101,470.57	846.59	23.14

Title: FIXED RATE GRADUALLY STEPPED  
 PAYMENT LOAN  
 Inventor: Wendell DICKERSON  
 Attorney Docket No. 86952-0001CIP

Figure 19(D)

868.73	633.76	101,447.43	845.40	23.33
868.73	628.53	101,424.10	845.20	23.53
868.73	623.33	101,400.57	845.00	23.73
868.73	618.18	101,376.84	844.81	23.92
868.73	613.07	101,352.92	844.61	24.12
868.73	608.01	101,328.79	844.41	24.32
868.73	602.98	101,304.47	844.20	24.53
868.73	598.00	101,279.95	844.00	24.73
868.73	593.06	101,255.21	843.79	24.94
868.73	588.15	101,230.28	843.59	25.14
868.73	583.29	101,205.13	843.38	25.35
875.81	583.19	101,179.78	843.16	32.64
882.94	485.78	100,274.16	835.62	47.32
897.39	404.56	98,757.88	822.98	74.40
91207	336.92	96,521.09	804.34	107.72
92699	28060	93,398.66	778.32	148.67
942.15	23368	89,189.00	743.24	19891
957.57	19462	83,645.95	697.05	260.52
973.23	162.08	76,469.01	637.24	335.99
.989.15	134.98	67,291.35	560.76	42839
1.005.34	112.41	55,665.16	463.88	541.46
1.021.78	93.62	41,043.85	342.03	679.75
1,038.50	7797	22,760.24	189.67	848.83
1,055.49	65.47	1,046.76	8.72	1,046.76
Total	100,000	25,888,460.59	215,737.17	101,74076

Figure 19(E)

Buydown Growth Rate (x)	0.0276191
Yr 1 Pymnt/Const After Buydown \$9,424.56/9.26%	Reinvestment Rate 6.00%
Buydown Escrow \$1,740.75 1.74%	Increased Purchasing Pwr 1.10%
	Yr 1 Payment less Las 12 Mos Payment/Co \$3,232.75/3.18% Change During Buydown \$1,085.13/107 hps

l	m	n
Buydown Payment Yr 5 Adj Payment/ (1 + x) <sup>a</sup>	Payments into Buydown Escrow g - l	PV Reinvested Buydown Payments m(1 + Ri - 4%) <sup>a</sup>
785.38	62.46	62.15
785.38	62.46	61.84
785.38	62.46	61.53
785.38	62.46	61.23
185.38	62.46	60.92
785.38	62.46	60.62
785.38	62.46	60.32
785.38	62.46	60.02
785.38	62.46	59.72
785.38	62.46	59.42
785.38	62.46	59.13
785.38	62.46	58.83
807.07	47.68	44.68
807.07	47.68	44.46
807.07	47.68	44.24
807.07	47.68	44.02
807.07	47.68	43.80
807.07	47.68	43.58
807.07	47.68	43.36
807.07	47.68	43.15
807.07	47.68	42.93
807.07	47.68	42.72
807.07	47.68	42.51
807.07	47.68	42.30
829.36	32.35	28.56
829.36	32.35	28.41
829.36	32.35	28.27
829.36	32.35	28.13
829.36	32.35	27.99
829.36	32.35	27.85
829.36	32.35	27.71
829.36	32.35	27.58
829.36	32.35	27.44

Title: FIXED RATE GRADUALLY STEPPED  
PAYMENT LOAN

Inventor: Wendell DICKERSON  
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Figure 19(F)

829.36	32.35	27.30
829.36	32.35	27.17
829.36	32.35	27.03
852.27	16.46	13.69
852.27	16.46	13.62
852.27	16.46	13.55
852.27	16.46	13.48
852.27	16.46	13.42
852.27	16.46	13.35
852.27	16.46	13.28
852.27	16.46	13.22
852.27	16.46	13.15
852.27	16.46	13.09
852.27	16.46	13.02
852.27	16.46	12.96



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Figure 20(A)

CONVENTIONAL MORTGAGE

Interest Rate (Ri) 10.00%  
Amortization (Months) 360  
Principal Balance \$110,000.00  
Monthly Payment (Pm) \$965.33  
Annual Payment (Pa) \$11,583.94  
Conventional Constant 10.53%

Year	a Payment Number	b Principal Outstanding b - b (prior)	c Interest Payment (Ri/12) b	d Principal Payment Pm - c	e PV Interest Payment $c/(1 + Ri/12)^a$	f PV Principal Payment $d/(1 + Ri/12)^a$
1	1	110,000.00	916.67	48.66	909.09	48.26
	2	109,951.34	916.26	49.07	901.18	48.26
	3	109,902.27	915.65	49.41	893.33	48.26
	4	109,852.79	915.44	49.89	885.55	48.26
	6	109,802.91	915.02	50.30	877.83	48.26
	6	109,752.60	914.61	50.72	870.18	48.26
	7	109,701.88	914.18	51.15	862.59	48.26
	8	109,650.73	913.76	61.57	855.06	48.26
	9	109,599.16	913.33	52.00	847.60	48.26
	10	109,547.16	912.89	62.44	840.19	48.26
2	ii	109,494.72	912.46	52.87	632.65	48.26
	12	109,441.85	912.02	53.31	125.57	48.26
	13	109,388.53	911.57	53.76	818.35	48.26
	14	109,334.78	911.12	54.21	811.18	48.26
	15	109,210.57	910.67	54.66	804.08	48.26
	16	109,225.91	910.22	55.11	797.04	48.26
	17	109,170.80	909.76	55.57	790.05	48.26
	18	109,115.23	909.29	56.04	783.12	48.26
	19	109,059.19	908.83	56.50	776.25	48.26
	20	109,002.69	901.36	56.97	769.44	48.26
3	21	106,945.72	907.88	57.45	762.68	48.26
	22	108,888.27	907.40	57.93	755.91	48.26
	23	108,830.34	906.92	58.41	749.33	48.26
	24	108,771.93	906.43	58.90	742.74	48.26
	25	108,713.04	905.94	59.39	736.20	48.26
	26	108,653.66	905.45	59.88	729.72	48.26
	27	108,593.77	904.95	60.38	723.29	48.26
	28	108,533.39	904.44	60.88	716.91	48.26
	29	108,472.51	903.94	61.39	710.59	48.26
	30	108,411.11	903.43	61.90	704.32	48.26
4	31	108,349.21	902.91	62.42	696.10	48.26
	32	101,286.79	902.39	62.94	691.93	48.26
	33	108,223.85	901.17	63.46	685.81	48.26
	34	108,160.39	901.34	63.99	679.75	48.26
	35	108,096.40	900.80	64.53	673.73	48.26
	36	108,031.87	900.27	65.06	667.76	48.26
	37	107,966.81	899.72	65.61	661.15	48.26
	39	107,901.21	899.18	66.15	655.98	48.26
	39	107,135.06	898.63	66.70	650.16	48.26

Title: FIXED RATE GRADUALLY STEPPED  
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Figure 20(B)

	40	107,768.35	898.07	67.26	644.38	48.26
	41	107,701.09	897.51	67.82	638.66	48.26
	42	107,633.27	896.94	68.36	632.91	48.26
	43	107,664.89	896.37	68.95	627.35	48.26
	44	107,495.93	895.80	69.53	621.77	48.26
	45	107,426.40	895.22	70.11	616.23	48.26
	46	107,356.29	894.64	70.69	610.74	48.26
	47	107,285.60	894.05	71.28	605.29	48.26
	48	107,214.32	893.45	71.88	599.89	48.26
5	49	107,142.44	892.85	72.48	594.54	48.26
6	72	105,313.42	877.61	87.72	482.84	48.26
8	96	102,993.58	858.28	107.05	386.93	48.26
10	120	100,162.46	834.69	130.64	308.34	48.26
12	144	96,707.40	805.89	159.43	243.94	48.26
14	168	92,490.87	770.76	194.57	191.17	48.26
16	192	87,345.05	727.88	237.45	147.93	48.26
18	216	81,065.14	675.54	289.79	112.50	48.26
20	240	73,401.20	611.68	353.65	83.47	48.26
22	264	64,048.19	533.73	431.59	59.68	48.26
24	288	52,633.87	438.62	526.71	40.19	48.26
26	312	38,703.93	322.53	642.80	24.22	48.26
27-11	335	22,481.94	187.35	777.98	11.62	48.26
28	336	21,703.96	180.87	784.46	11.13	48.26
30	360	957.35	7.98	957.35	0.40	48.26
Total		28,502,201.01	237,218.34	110,000.00		

Figure 20(C)

FOUR YEAR BUYDOWN					
27 YEAR 11 MONTH GRADUAL PAYMENT MORTGAGE					
Growth Rate		0.8116297			
Total PV Adjusted Pymnts:		\$110,000.00			
Yr1 Adjusted Payment	Last 12 Mos Adj Payment	Yr1 Adjusted Constant	Last 12 Mos Adj Constant	Buydown Escrow	
\$11,191.44	\$13,922.99	10.00%	12.44%	\$1,914.36	
				1.74%	
	g Adjusted Payments $g(1 + Rg/12)^a$	h PV Adjusted Payments $g(1 + R/12)^a$	i Principal Outstanding i - k (prior)	j Adj Interest Payment $(Ri/12) i$	k Adj Principal Payment Rm - j
	932.62	924.91	111,914.36	932.62	0.00
	932.62	917.27	111,914.36	932.62	0.00
	932.62	909.69	111,914.36	932.62	0.00
	932.62	902.17	111,914.36	932.62	0.00
	932.62	894.71	111,914.36	932.62	0.00
	932.62	887.32	111,914.36	932.62	0.00
	932.62	879.99	111,914.36	932.62	0.00
	932.62	872.71	111,914.36	932.62	0.00
	932.62	866.50	111,914.36	932.62	0.00
	932.62	858.35	111,914.36	932.62	0.00
	932.62	851.25	111,914.36	932.62	0.00
	932.62	844.22	111,914.36	932.62	0.00
	940.22	844.06	111,914.36	932.62	7.60
	940.22	837.09	111,906.76	932.56	7.66
	940.22	830.17	111,899.10	932.49	7.73
	940.22	823.31	111,891.37	932.43	7.79
	940.22	816.50	111,883.58	932.36	7.15
	940.22	809.76	111,875.73	932.30	7.92
	940.22	803.06	111,867.81	932.23	7.99
	940.22	796.43	111,859.82	932.17	8.05
	940.22	789.84	111,851.77	932.10	8.12
	940.22	763.32	111,843.65	932.03	8.19
	940.22	776.84	111,835.46	931.96	8.26
	940.22	770.42	111,827.21	931.89	8.32
	947.88	770.21	111,818.88	931.12	16.05
	947.88	763.91	111,802.83	931.69	16.19
	947.88	757.60	111,786.64	931.56	16.32
	947.88	751.34	111,770.32	931.42	16.46
	947.88	745.13	111,753.86	931.28	16.59
	947.88	731.97	111,737.27	931.14	16.73
	947.66	732.87	111,720.53	931.00	16.87
	947.88	726.81	111,703.66	930.16	17.01
	947.88	720.80	111,686.65	930.72	17.16
	947.88	714.14	111,669.49	930.58	17.30
	947.88	708.94	111,652.19	930.43	17.44

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Figure 20(D)

947.88	703.08	111,634.75	930.29	17.59
955.60	702.95	111,617.17	930.14	25.46
955.60	697.14	111,591.71	929.93	25.67
955.60	691.38	111,566.04	929.72	25.88
955.60	685.66	111,640.16	929.50	26.10
955.60	680.00	111,514.06	929.28	26.32
955.60	674.38	111,487.75	929.06	26.53
955.60	668.80	111,461.21	928.84	26.76
955.60	663.28	111,434.46	928.62	26.98
955.60	657.79	111,407.48	928.40	27.20
955.60	652.36	111,380.27	928.17	27.43
955.60	646.97	111,352.84	927.94	27.66
955.60	641.62	111,325.18	927.71	27.89
963.38	641.50	111,297.30	927.48	35.91
971.23	534.35	110,301.12	919.18	52.06
987.12	445.01	108,633.22	905.28	81.84
1,003.27	370.61	106,172.76	884.77	118.50
1,019.68	308.65	102,738.11	856.15	163.53
1,036.36	257.05	98,107.50	817.56	218.80
1,053.32	214.08	92,010.17	766.75	286.57
1,070.55	178.29	84,115.58	700.96	369.59
1,088.06	148.48	74,020.19	616.83	471.23
1,105.86	123.66	61,231.43	510.26	595.60
1,123.96	102.98	45,148.06	376.23	747.72
1,142.34	85.76	25,036.17	208.63	933.71
1,161.03	71.43	0.00	0.00	
Total	100,000.00	28,477,191.00	237,309.92	111,914.36

Figure 20(E)

2.761424%

Reinvestment Rate 6.00%	Yr1 Payment less Last 12 Mos Payment/Const \$3,555.82/3.18%		
Increased Purchasing Pwr* 1.10%	Change During Buydown \$1,193.44/107bps		
Buydown Payments Yr5 Adj Payment/ (1 + x)^a	Payments into Buydown Escrow m g-l	PV Reinvested Buydown Payment n m/(1 + x/12)^a	
863.93	68.69	68.35	
863.93	68.69	68.01	
863.93	68.69	67.67	
863.93	68.69	67.33	
863.93	68.69	67.00	
863.93	68.69	66.66	
863.93	68.69	66.33	
863.93	68.69	66.00	
863.93	68.69	65.67	
863.93	68.69	65.35	
863.93	68.69	65.02	
863.93	68.69	64.70	
887.79	52.43	49.14	
887.79	52.43	48.89	
887.79	52.43	48.65	
887.79	52.43	48.41	
887.79	52.43	48.17	
887.79	52.43	47.93	
887.79	52.43	47.69	
887.79	52.43	47.45	
887.79	52.43	47.22	
887.79	52.43	48.98	
887.79	52.43	46.75	
887.79	52.43	46.52	
912.30	35.57	31.40	
912.30	35.57	31.25	
912.30	35.57	31.09	
912.30	35.57	30.94	
912.30	35.57	30.78	
912.30	35.57	30.63	
912.30	35.57	30.48	
912.30	35.57	30.33	
912.30	35.57	30.18	
912.30	35.57	30.03	
912.30	35.57	29.88	
912.30	35.57	29.73	
937.50	18.10	15.05	

Figure 20(F)

937.50	18.10	14.98
937.50	18.10	14.90
937.50	18.10	14.83
937.50	18.10	14.76
937.50	18.10	14.68
937.50	18.10	14.61
937.50	18.10	14.54
937.50	18.10	14.46
937.50	18.10	14.39
937.50	18.10	14.32
937.50	18.10	14.25

Figure 21(A)

CONVENTIONAL 30 YEAR MORTGAGES FOR \$1000,000 COMPARED TO GSP MORTGAGES FOR MORE MONEY

a Int Rate	b Type	c Loan Net of Buydown*	d Term Yr- Mo	e Total Interest/ %Conv**	f Yr1 Payment/ Constant***	g Change Yr1- Last	h 4Yr Buydown \$/%****	i Change Yrs 1-4	j Buydown Growth	k Basic Growth
6%	Conv	\$100,000.00	30	\$115,838	\$7,195/7.20%					
	GSP	\$110,000.00	30	\$136,849/118.1%	\$7,195/6.54%	196bps	n/a	n/a	n/a	0.9050535%
	GSP	\$110,000.00	27- 11	\$127,483/100.0%	\$7,195/6.54%	252bps	n/a	n/a	n/a	1.2101439%
	GSP	\$105,000.00	30	\$126,234/109.0%	\$7,195/6.85%	100bps	n/a	n/a	n/a	0.4695909%
	GSP	\$105,000.00	28- 10	\$121,545/99.9%	\$7,195/6.85%	130bps	n/a	n/a	n/a	0.6233220%
7%	Conv	\$100,000.00	30	\$139,509	\$7,984/7.98%					
	GSP	\$110,000.00	30	\$166,283/119.2%	\$7,984/7.26%	233bps	n/a	n/a	n/a	1.7433429%
	GSP	\$110,000.00	27-9	\$153,460/100.0%	\$7,984/7.26%	290bps	n/a	n/a	n/a	1.2579759%
	GSP	\$105,000.00	30	\$152,734/109.5%	\$7,984/7.60%	119bps	n/a	n/a	n/a	0.4994694%
	GSP	\$105,000.00	28-9	\$146,405/99.9%	\$7,984/7.60%	149bps	n/a	n/a	n/a	0.6458070%
8%	Conv	\$100,000.00	30	\$164,155	\$8,805/8.81%					
	GSP	\$110,000.00	30	\$197,536/120.3%	\$8,805/8.00%	277bps	n/a	n/a	n/a	1.0221847%
	GSP	\$110,000.00	27-7	\$180,535/100.0%	\$8,805/8.00%	333bps	n/a	n/a	n/a	1.3076208%
	GSP	\$105,000.00	30	\$180,612/110.6%	\$8,805/8.39%	140bps	n/a	n/a	n/a	0.5134776%
	GSP	\$105,000.00	28-6	\$172,336/100.0%	\$8,805/8.39%	171bps	n/a	n/a	n/a	0.6695694%
9%	Conv	\$100,000.00	30	\$189,664	\$9,655/9.66%					
	GSP	\$110,000.00	30	\$226,694/119.5%	\$9,580/8.63%	274bps	\$952/0.87%	66bps	1.8618300%	0.8085636%
	GSP	\$110,000.00	27- 10	\$208,951/99.8%	\$9,580/8.63%	321bps	\$956/0.87%	74bps	2.0810000%	1.0231534%
	GSP	\$105,000.00	30	\$209,788/110.6%	\$9,655/9.20%	164bps	n/a	n/a	n/a	0.5655396%
	GSP	\$105,000.00	28-7	\$199,241/100.0%	\$9,655/9.20%	190bps	n/a	n/a	n/a	0.6947615%

Figure 21(B)

10%	Conv	\$100,000.00	30	\$215,926	\$10,531/10.53%	276bps	\$1,908/1.73%	99bps	2.5795010%	0.6371250%
	GSP	\$110,000.00	30	\$256,869/119.0%	\$10,368/9.26%	325bps	\$1,914/1.74%	107bps	2.7615280%	0.8115895%
	GSP	\$110,000.00	27-11	\$237,310/99.9%	\$10,367/9.27%					
	GSP	\$105,000.00	30	\$240,186/111.2%	\$10,531/10.03%	191bps	n/a	n/a	n/a	0.6016906%
11%	GSP	\$105,000.00	28-5	\$226,305/99.8%	\$10,531/10.03%	222bps	n/a	n/a	n/a	0.7292353%
	Conv	\$100,000.00	30	\$242,836	\$11,428/11.43%	283bps	\$2,864/2.60%	133bps	3.2083000%	0.5026050%
	GSP	\$110,000.00	30	\$288,118/118.6%	\$11,164/9.89%	320bps	\$2,875/2.61%	140bps	3.3610000%	0.6439823%
	GSP	\$110,000.00	28	\$266,862/99.9%	\$11,162/9.89%	282bps	\$1,952/1.81%	106bps	2.4866000%	0.6241175%
12%	GSP	\$108,000.00	28-3	\$262,530/100.1%	\$11,240/10.22%	195bps	\$533/0.51%	45bps	1.0196800%	0.5026101%
	GSP	\$105,000.00	30	\$269,404/110.9%	\$11,373/10.78%	220bps	\$535/0.51%	49bps	1.1173000%	0.5986925%
	GSP	\$105,000.00	28-8	\$255,286/100.1%	\$11,373/10.78%					
	Conv	\$100,000.00	30	\$270,301	\$12,343/12.34%	295bps	\$3,832/3.48%	168bps	3.7787000%	0.3966365%
12%	GSP	\$110,000.00	30	\$320,474/118.6%	\$11,965/10.59%	327bps	\$3,843/3.49%	174bps	3.9032000%	0.5106785%
	GSP	\$110,000.00	28-1	\$297,627/100.1%	\$11,964/10.51%	287bps	\$2,797/2.59%	136bps	2.9928900%	0.4994708%
	GSP	\$108,000.00	28-3	\$291,590/99.9%	\$12,055/10.88%	196bps	\$1,187/1.13%	69bps	1.4073600%	0.3966269%
	GSP	\$105,000.00	30	\$298,950/110.6%	\$12,212/11.50%	218bps	\$1,190/1.13%	73bps	1.5495520%	0.4726308%
12%	GSP	\$105,000.00	28-8	\$284,085/100.1%	\$12,211/11.50%					



Figure 21(C)

a Int Rate	b Type	c Loan Net of Buydown*	d Yr Payments Equal *****	e Money Saved *****
6%	Conv	\$100,000.00		
	GSP	\$110,000.00	11/21	\$3,843
	GSP	\$110,000.00	8/16	\$2,949
	GSP	\$105,000.00	11/21	\$1,970
	GSP	\$105,000.00	8/16	\$1,526
7%	Conv	\$100,000.00		
	GSP	\$110,000.00	11/20	\$4,021
	GSP	\$110,000.00	8/16	\$3,169
	GSP	\$105,000.00	10/20	\$2,066
	GSP	\$105,000.00	8/16	\$1,645
8%	Conv	\$100,000.00		
	GSP	\$110,000.00	11/19	\$4,021
	GSP	\$110,000.00	8/15	\$3,377
	GSP	\$105,000.00	10/19	\$2,154
	GSP	\$105,000.00	8/15	\$1,756
9%	Conv	\$100,000.00		
	GSP	\$110,000.00	8/16	\$2,524
	GSP	\$110,000.00	8/12	\$2,048
	GSP	\$105,000.00	9/18	\$2,237
	GSP	\$105,000.00	8/14	\$1,858
10%	Conv	\$100,000.00		
	GSP	\$110,000.00	7/11	\$1,161
	GSP	\$110,000.00	5/9	\$948
	GSP	\$105,000.00	9/17	\$2,304
	GSP	\$105,000.00	7/14	\$1,949

Figure 21(D)

11%

Conv	\$100,000.00		
GSP	\$110,000.00	4/5	\$258
GSP	\$110,000.00	2/4	\$208
GSP	\$108,000.00	4/7	\$494
GSP	\$105,000.00	7/14	\$1,425
GSP	\$105,000.00	6/12	\$1,228

12%

Conv	\$100,000.00		
GSP	\$110,000.00	0/0	\$0
GSP	\$110,000.00	0/0	\$0
GSP	\$108,000.00	1/2	\$33
GSP	\$105,000.00	6/9	\$555
GSP	\$105,000.00	4/8	\$484

\* TOTAL LOAN AMOUNT = c + h  
 \*\* INTEREST ON THE TOTAL LOAN AMOUNT COMPARED TO INTEREST ON 30 YEAR CONVENTIONAL LOAN FOR SAME AMOUNT  
 AS COLUMN x  
 \*\*\* CONSTANT EXPRESSED AS % OF TOTAL LOAN AMOUNT  
 \*\*\*\* ASSUMES ESCROWED FUNDS INVESTED AT a - 4%. BUYDOWN FEE EXPRESSED AS % OF LOAN NET OF BUYDOWN  
 \*\*\*\*\* FOR \$100,000 GSP MORTGAGE: YEAR ANNUAL PAYMENTS ARE + OR- EQUAL/YEAR CUMULATIVE PAYMENTS ARE +/- EQUAL  
 \*\*\*\*\* FOR \$100,000 GSP MORTGAGE: TOTAL CONVENTIONAL PAYMENTS MINUS TOTAL GSP PAYMENTS UP TO YEAR ANNUAL  
 PAYMENTS ARE EQUAL

Figure 22(A)

CONVENTIONAL 30 YEAR MORTGAGES FOR \$100,000 COMPARED TO  
20, 25 AND 30 YEAR GSP MORTGAGES FOR \$5,000 TO \$10,000 MORE

a	b	c	d	e	f	g	h	i	j	k	l
Int	Type	Loan Net	Total Interest/ Constant***	Change Yr1-Last	Change Yr1- Last	4Yr Buydown \$/%****	Buydown Growth	Change Yrs1-4	Basic Growth	Yr1 Pymnts Equal*****	Money Saved*****
6%	30 Yr Conv	\$100,000.00	\$115,838	\$7,195/7.20%							
	30 Yr GSP	\$110,000.00	\$136,849/118.1%	\$7,195/6.54%	196bps	n/a	n/a	n/a	0.9050535%	11/21	\$3,834
	25 Yr GSP	\$110,000.00	\$114,415/98.8%	\$7,195/6.54%	348bps	n/a	n/a	n/a	1.7718350%	7/11	\$2,124
	20 Yr GSP	\$110,000.00	\$92,143/79.5%	\$7,195/6.54%	589bps	n/a	n/a	n/a	3.8373310%	4/6	\$1,280
	30 Yr GSP	\$105,000.00	\$126,234/109.0%	\$7,195/6.85%	100bps	n/a	n/a	n/a	0.4695909%	11/21	\$1,970
	25 Yr GSP	\$105,000.00	\$106,100/91.6%	\$7,195/6.85%	251bps	n/a	n/a	n/a	1.2986325%	5/9	\$829
	20 Yr GSP	\$105,000.00	\$85,889/74.1%	\$7,195/6.85%	489bps	n/a	n/a	n/a	2.8381107%	3/5	\$488
7%	30 Yr Conv	\$100,000.00	\$139,509	\$7,984/7.98%							
	30 Yr Conv	\$110,000.00	\$166,283/119.2%	\$7,984/7.26%	233bps	n/a	n/a	n/a	0.9616286%	11/20	\$4,021
	25 Yr Conv	\$110,000.00	\$137,941/98.9%	\$7,984/7.26%	377bps	n/a	n/a	n/a	1.7433429%	6/11	\$2,396
	20 Yr GSP	\$110,000.00	\$110,212/79.0%	\$7,984/7.26%	609bps	n/a	n/a	n/a	3.2090514%	4/6	\$1,461
	30 Yr GSP	\$105,000.00	\$152,734/109.5%	\$7,984/7.60%	119bps	n/a	n/a	n/a	0.4994694%	10/20	\$2,066
	25 Yr GSP	\$105,000.00	\$127,485/91.4%	\$7,984/7.60%	263bps	n/a	n/a	n/a	1.2387489%	5/9	\$947
	20 Yr GSP	\$105,000.00	\$102,465/73.4%	\$7,984/7.60%	494bps	n/a	n/a	n/a	2.6378563%	3/5	\$557

**Inventor: Wendell DICKERSON**  
**Attorney Docket No. 86952-0001CIP**

Figure 22(B)

**D**

Figure 22(c)

[illegible]

Figure 22(D)

[illegible]

\* TOTAL LOAN AMOUNT = c + g  
 \*\* INTEREST ON THE TOTAL LOAN AMOUNT COMPARED TO INTEREST ON THE 30 YEAR CONVENTIONAL LOAN  
 \*\* CONSTANT EXPRESSED AS % OF TOTAL LOAN AMOUNT  
 \*\*\*\*\* ASSUMES ESCROWED FUNDS INVESTED AT a - 4%. FEE EXPRESSED AS % OF LOAN NET OF BUYDOWN  
 \*\*\*\*\* FOR \$100,000 GSP MORTGAGE: YEAR ANNUAL PYMNTS ARE +OR- EQUAL/YEAR CUMULATIVE PYMNTS ARE +OR-  
 EQUAL  
 \*\*\*\*\* FOR \$100,000 GSP MORTGAGE: TOT CONVENTIONAL PYMNTS MINUS TOT GSP PYMNTS UP TO YEAR ANNUAL  
 PYMNTS ARE EQUAL

Figure 23(A)

30 YEAR GSP MORTGAGES FOR \$100,000

10% MORE PURCHASING POWER THAN COMPARABLE CONVENTIONAL LOANS PAYMENTS  
RISE FIRST PART OF TERM, THEN REMAIN CONSTANT TO MATURITY

# YEARS PAYMENTS RISE:	a 30 years	b 20 years	c 15 years	d 10 years	e 5 years
YEAR GSP PAYMENTS EQUAL OR EXCEED PAYMENT ON \$100,000 CONVENTIONAL LOANS					

Section I

(Payments assume that buydowns, if any, are included in the principal  
balance of the GSP loans.)

6%	11	10	8	6
7%	10	10	8	6
8%	10	9	8	5
9%	9	8	8	5
10%	7	6	5	5
11%	5	5	5	5
12%	5	5	5	5

GROWTH RATE

Section II

(Growth rates for 4 year buydowns in italics)

6%	0.905053%	0.971383%	1.096581%	1.390958 %	2.347749%
7%	0.961629%	1.025713%	1.148707%	1.440979%	2.397846%
8%	1.022185%	1.083895%	1.204437%	1.494236%	2.450789%
9%	0.808576%	0.851535%	0.937775%	1.148672%	1.852944%
	1.862%	1.905%	1.994%	2.210%	2.937%
10%	0.637138%	0.666878%	0.728224%	0.881079%	1.398097%
	2.580%	2.607%	2.675%	2.833%	3.376%
11%	0.502609%	0.523160%	0.566781%	0.677640%	1.057995%
	3.209%	3.233%	3.278%	3.395%	3.795%
12%	0.396628%	0.410804%	0.441785%	0.522212%	0.802410%
	3.780%	3.796%	3.828%	3.912%	4.212%

Figure 23(B)

# YEARS	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>
PAYMENTS RISE:	30 years	20 years	15 years	10 years	5 years

Section III CHANGE BETWEEN FIRST AND LAST YEARS'  
 PAYMENTS

(Change during buydown in italics)

6%	196bps	140bps	117bps	98bps	81bps
7%	233bps	165bps	136bps	112bps	92bps
8%	276bps	194bps	158bps	129bps	104bps
9%	274bps	204bps	172bps	146bps	124bps
	<i>87bps</i>	<i>87bps</i>	<i>87bps</i>	<i>87bps</i>	<i>88bps</i>
10%	276bps	216bps	189bps	166bps	146bps
	<i>99bps</i>	<i>101bps</i>	<i>103bps</i>	<i>110bps</i>	<i>132bps</i>
11%	283bps	232bps	209bps	188bps	171bps
	<i>133bps</i>	<i>134bps</i>	<i>136bps</i>	<i>141bps</i>	<i>159bps</i>
12%	295bps	252bps	231bps	213bps	199bps
	<i>168bps</i>	<i>169bps</i>	<i>170bps</i>	<i>174bps</i>	<i>189bps</i>



Figure 24

